

A HISTORY of the ENDOWMENT
of
AMHERST COLLEGE

STANLEY KING



1950
AMHERST COLLEGE
AMHERST, MASSACHUSETTS

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To My Wife

MARGARET PINCKNEY KING

PREFACE

The endowment of Amherst College today provides more than half the income necessary for the College's operations. Without it the College would collapse, unless saved by government grants. The care of the endowment is the responsibility of the Trustees. It is their most serious responsibility, except for the rare occasions when the choice of a new president devolves on the Board. The detailed work of handling the finances of the College is the work of the Treasurer, who reports to the Board through the Finance Committee of the Board. How well the Trustees of Amherst exercise their responsibility for the care of the College's endowment depends on the character and ability of the Treasurer and on the character and ability of the Finance Committee.

A college president works in the limelight. His actions are under constant scrutiny of faculty, trustees, undergraduates, and alumni. He is a public figure. A college treasurer's work, on the other hand, is done in the privacy of his office and in the meetings of the Finance Committee. How well he and the Finance Committee manage the endowment is not readily apparent except after careful analysis.

The historians of the College have told us little of the work of the nine treasurers of Amherst and of the members of the Board who have served the College on its Finance Committee. How was the slender endowment invested in earlier days, what rate of income did it produce for the College, who were the men who determined investment policy, how carefully did they scrutinize the work of the treasurer's office? These are interesting questions, important questions. In effect, how well did the Trustees of the College exercise their prime responsibility for the care and preservation of the

College's endowment and for the prudent management of the finances of the institution during its life of almost a century and a half? These questions the alumni of Amherst are entitled to ask, the public is entitled to ask; for the College today is seeking from its alumni and friends substantial gifts toward its support each year. The purpose of this study is to give such answer as the existing records afford.

STANLEY KING

Amherst, Massachusetts
1948-1950

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Chapter One

BACKGROUND

Treasurer Paul D. Weathers closed his books on June 30, 1948, for it was the close of the college year. A representative of a New York firm of accountants was on hand to begin the careful audit of the college books. The auditor counted the cash in the till and set down the total. He added the balances in the bank accounts. The result of this simple operation in arithmetic showed him that the College had total cash resources of \$1,156,252. The following morning the auditor would accompany the treasurer and the comptroller to the vaults of the Springfield Safe Deposit & Trust Company to open the safe rented by the College and count the securities. There they would find tied in neat bundles the certificates representing the endowment of the College and of the Folger Shakespeare Library, with a total book value of over twenty million dollars. Later computations would indicate that the market value of the portfolio was some 15½% in excess of the book value. As they examined and counted the certificates, they would find some seven million dollars in government bonds, some seven million dollars more in the common stocks of industrial corporations, in addition to railroad bonds and stocks, public utility bonds and stocks, bank stocks and insurance stocks. It takes time to count the certificates of 32,000 shares of Socony-Vacuum, 20,000 shares of Standard Oil of California, and 18,000 shares of Standard Oil of New Jersey. And the treasurer and comptroller and the auditor would spend most of the business day in the vaults of the bank.

Several months later the treasurer would present to the

Board of Trustees of the College his annual report accompanied by the certificate of Lybrand, Ross Bros. & Montgomery, auditors. The assets held by the Board of Trustees for the benefit of the College and the Folger Shakespeare Library would appear at a book value of over \$33,000,000. The debts which had been paid during the first few days of July were under \$4,000. The total effective income of the College (excluding the Folger) for the year just closed had been \$2,050,778; almost a quarter more than the entire endowment of the College when I graduated.

Paul D. Weathers is the ninth treasurer of Amherst College. From his desk in Walker Hall he can talk at will with the members of the Finance Committee in Boston, New York, and Minneapolis, who guide him in investment policy. A dozen brokers, with memberships on all the exchanges of the country, stand ready to execute his buying and selling orders given by telephone. Every day he is in touch by telephone with the current position of the market on the New York Stock Exchange. His buying and selling orders in the course of a year often amount to two million dollars. Each month the treasurer visits New York and Boston for consultations with bankers and specialists in investment research.

The College has come a long way since the day when John Leland was elected the first treasurer. The country has come a long way. It is one hundred and twenty-nine years since the College opened its doors to its first class in 1821. To understand the conditions which faced the men who founded Amherst, and raised its first endowment, so pitifully small, we must look back a century and a quarter to find the social and economic context in which they worked. What was the condition of the country in 1821, what was the town of Amherst like when the College came into being?

James Monroe had just been inaugurated for his second term as President of the United States when Amherst College opened its doors for its first class in 1821. The generation which signed the Declaration of Independence, fought the War of the Revolution, made up the Continental Congress, and framed the Constitution was passing out of power.

Monroe was the last president of this generation. The country now extended from the Great Lakes to the Gulf of Mexico, and from the Atlantic to the Pacific. The twenty-four states which comprised the Union had a population of a little less than ten million; Massachusetts ranked seventh, with just over half a million. West of the Mississippi, the Missouri Territory extended to the Rocky Mountains, and west of the mountains was the Oregon Country held jointly with Great Britain under the Convention of 1818. Florida had just been added to the United States by the treaty with Spain of 1819 which had been ratified by the Senate on Washington's birthday in 1821. And one of Monroe's first acts was to appoint Andrew Jackson to the Governorship of Florida. In the same summer Stephen Austin started for San Antonio to carry forward a program of colonization which was to have momentous results later.

Monroe had not served a year of his second term when serious trouble developed with Russia. Before 1816 Russia had had no settlement south of fifty-five degrees on the Alaskan coast, but in that year she established a settlement in the Hawaiian Islands and another a short distance from San Francisco. Then in February 1822 the Russian Minister in Washington handed the Secretary of State a copy of an Edict of Czar Alexander claiming jurisdiction over all the northwest coast of America down to the fifty-first parallel, and forbidding foreign vessels to land or in fact to come within one hundred Italian miles. When the Secretary of State protested this unilateral act and asked why the boundary was not negotiated by treaty, the Russian Minister curtly replied that he had no authority to discuss the matter.

In 1821 Liberia was founded by The American Society for the Colonization of the Free People of Color of the United States, an organization promoted by public-spirited citizens of which Bushrod Washington was president and thirteen well-known men were vice presidents.

The country was in the midst of a severe depression, following the panic of 1819. The United States Bank was in difficulty as early as 1818, but the storm broke in full force in

1819. The prices of wheat, corn, and cotton dropped within a few months to about half their former levels. The most acute distress occurred in the Middle Atlantic States, in the South, and in the Ohio Valley. Banks suspended, commercial paper paid 3% per month, urban rents were cut almost in half, and farm lands suffered an even greater drop in value. The country had never known such widespread unemployment; in New York City a tenth of the population was receiving poor relief. The prisons were filled to overflowing. New England was not so hard hit as some parts of the country. In some states special laws were passed to protect debtors. When a Kentucky court declared such a law unconstitutional, the legislature abolished the court and created a new one. While the depression lasted longer in the West than elsewhere, by 1823 conditions were again about normal on the eastern seaboard.

In the eastern cities, workmen were beginning their first attempts at organization. The years of rapid industrial growth had produced problems which called for reform. The working day was from sunrise to sunset, with two breaks for meals. In the summer, work began at four; at ten in the morning an hour was taken for lunch, and at three in the afternoon another hour was taken for dinner. After that, work went on until sunset. This meant a working day of some thirteen hours. An unskilled laborer was fortunate if he received seventy-five cents a day. Many were glad to work for thirty-seven or even twenty-five cents a day in winter. On the canals and turnpikes, fifteen dollars a month and found was considered good pay in summer and one-third that in winter. And it was not uncommon for men to work for their board in winter. The employment of women was restricted to a few occupations, and fifty cents a week was a good average wage for women at the time.

Gas as a method of street lighting was adopted by Boston in 1822 and in New York in 1823. But elsewhere lamps were the only method in use. Town councils were loath to sanction the use of so dangerous an innovation and one likely to injure the business of the candlemakers and oil dealers.

There were similar problems in the introduction of a new fuel, anthracite coal, for the heating of houses. In New York the company marketing coal at first found householders so reluctant to discard andirons and spend money for grates that they met the situation by giving grates to new customers until the economy of the new fuel was demonstrated.

Meanwhile, travel had been revolutionized in the score of years since the turn of the century. The spread of steam navigation and the development of a system of turnpike roads on which federal and state governments and private enterprise had been pouring money had made journeys both speedier and more comfortable. The old delays had gone forever. Stagecoaches of the latest model rolled along at an average speed of six miles an hour. Not more than six or seven passengers were allowed to ride on a single coach. The allowance of baggage had increased from fourteen pounds to twenty-eight pounds; and baggage was now chained to the coach or watched so that it could not be stolen. Stage journeys still began at three or four in the morning, but were usually completed by six in the afternoon. While certain towns in Connecticut still attempted to enforce the state's Blue Laws forbidding travel on the Sabbath, the coach drivers would gallop their horses through the town, paying no attention to the feeble shouts of the town tither. He did his duty, the citizens were satisfied, and the coach rolled on its way.

It was under these conditions that Amherst College was founded. It was under these conditions that the founders of the College raised the Charity Fund of \$50,000 which constituted the only endowment of the College when it opened its doors in 1821. The Fund was in promissory notes, not in cash, and no one could predict whether the generous donors to the Fund would be able to meet the notes when they fell due. The College's real strength was not in these notes of dubious value, nor in the single building, South College, but in the stout hearts and the indomitable faith and the tireless efforts of a handful of men, citizens of the town of Amherst, who set out to found a college in spite of everything. Their

zeal was that of men with an almost fanatic devotion to a cause which they believed had the blessing and approval of Divine Providence.

In 1821 Amherst was one of twenty-three small towns in Hampshire County. The census the year before gave it a population of 1917, a little more than the average of the towns in the county, a little more than Greenfield, a little less than Northampton, the shire town. It was primarily an agricultural community and largely self-sufficient. The staple crops were wheat, Indian corn, rye, oats, barley, and flax, peas, beans, and pumpkins.

The only factory of which we have a record was situated in 1795 on Mill River near the present Cushman railroad station and in 1821 was owned and operated by the two Roberts brothers who engaged in the manufacture of writing paper on a small scale. Most of the work was done by hand, and the finished product was carted to Albany by teams. The business remained in the same family until 1894, when the mill was destroyed by an incendiary fire.

In 1814 the first manufacturing corporation was incorporated in the town, to spin cotton yarn by machinery, under the name of the Amherst Cotton Factory. The corporation was owned by ten men with an investment of one thousand dollars each, and acquired a three-story wooden building at "Factory Hollow" in North Amherst which had been erected by Ebenezer Dickinson, a well-to-do farmer. Dickinson had had no business experience and had been forced to sell, but a few years later he broke into his former factory and stole a quantity of cotton yarn. The yarn was found in his attic, and he fled to Ohio, but not before leaving a curse on "The Hollow." The Amherst Cotton Factory did not prosper and a little later was in liquidation.

In 1830 Peter Ingram established a small woolen mill on Mill River; the business was reorganized after the panic of 1837, but the mill was destroyed by fire in 1847. Two other woolen mills were built, but both were later lost by fire.

Early in the century Amherst became a center for the manufacture of palm-leaf hats. The palm leaf was brought to Bos-

ton in vessels trading in the West Indies, forwarded over the tracks of the Boston & Worcester Railroad and the Western Railroad to Palmer, and carted to Amherst. Here it was distributed among the farmers' families in the town and the surrounding towns, split by hand, braided, sewed, and sold to local merchants. In 1829 Leonard M. Hills moved to Amherst from Connecticut, and began to develop the business in a systematic way. Mills were built, and by 1871 Amherst became the leading center of the industry in the country. Subsequently the business was liquidated. From time to time other manufacturing enterprises were developed in the town, but Amherst has continued to be primarily an agricultural and college community.

Noah Webster was a resident of Amherst at the time and was chairman of the Board of the Collegiate Institute. His description of the town at the time of the founding of the College is the best contemporary account we have, and the dictionary-maker indulged in prophecy which has been borne out by the history of the town during the century and a quarter which has intervened. "The town of Amherst," said Mr. Webster, "must from its position forever be an agricultural town. It can be neither a shire town nor a commercial or manufacturing town. From its situation with regard to Connecticut River, and the neighboring towns, it can not be the center of a great commerce, and its streams of water will never support great manufacturing establishments. Its inhabitants must be chiefly laboring farmers, who, dispersed over the town and occupied in their own pursuits, can have no particular connection with the students; of course no enmity will probably bring them into collision, and produce those quarrels and riots which have frequently disturbed the peace of some other colleges." Webster's historical manuscript did not appear in print for twenty-five years, but it was copied in longhand by direction of the Board of Trustees of the College. This copy still exists in the archives of the College.

The town's connection with the outside world in 1821 was of course by stagecoach. Three days a week a stage left

Earle's Hotel on Hanover Street, Boston, at two in the morning for Amherst, returning to Boston on the following day. To the west, the town was connected by stage over "the northern route" with Albany; and the Brattleboro-Hartford stage passed through Amherst. At Hartford a traveler could continue his journey to New York by water. The bridge across the Connecticut River between Hadley and Northampton had been completed by private enterprise in 1807, so that travel to and from Northampton was comparatively easy, though the road was soft and muddy most of the way.

Railroads did not exist here or anywhere, and this fact was of course one of the reasons for the founding of the College. The people of Hampshire County wanted an educated ministry, they wanted an opportunity for their sons to secure a college education; and Harvard and Dartmouth and Yale were so far away that few could afford to attend them. It was not until 1836 that the Western Railroad was incorporated to run from Worcester, the terminus of the recently built Boston & Worcester Railroad, to Albany. In 1839 it was opened to Springfield and three years later to the Hudson River, opposite Albany. The Northampton & Springfield Railroad was incorporated in 1842, and the Greenfield & Northampton Railroad in 1845. In 1850 the New London Northern Railroad was opened from New London to Palmer, and three years later the rails were extended to Amherst by the Amherst & Belchertown Railroad. I may add that my grandfather, William N. Flynt of Monson, who was a member of the Massachusetts legislature in 1848, was the leader in securing a Massachusetts charter for the New London Northern, against strong opposition. It was not until 1887 that the Massachusetts Central Railroad was completed from Boston to Northampton by way of Amherst.

There was no bank in Amherst in 1821 when the College was founded. In 1825 the Sunderland Bank was incorporated under state law, and in 1831 it moved to Amherst as the Amherst Bank. Its capital was \$10,000. Ten years later a crisis developed in the affairs of the bank, precipitated by

embezzlement by the cashier, and the following year it surrendered its charter. For nearly a quarter of a century the town had no banking facilities of any kind. Then in 1864 the First National Bank of Amherst and the Amherst Savings Bank were opened within a few months of each other.

Chapter Two

THE CHARITY FUND

The founders of the College set up a dual organization which continued for over a hundred years: Amherst College and The Charity Fund. The fundamental law of the College is the charter granted by the legislature of the Commonwealth. It covers four printed pages, and is entitled *Acts of 1824, Chapter 84. An Act to Establish a College in the Town of Amherst*. The fundamental law of The Charity Fund covers eleven printed pages, and is entitled *A Constitution and System of By-laws for the Raising and Managing a Permanent Charitable Fund, as the Basis of an Institution in Amherst, in the County of Hampshire, for the Classical Education of Indigent Young Men of Piety and Talents, for the Christian Ministry*. The governing board of the College was The Board of Trustees; of The Charity Fund, The Board of Overseers. Under the constitution the legal title to the assets of the Fund was to rest in the Trustees of the College when it was incorporated, and the Trustees were responsible for investing and reinvesting the Fund. The Board of Overseers of seven members constituted the "guardians of the Fund." In case the Board of Overseers determined that the Trustees of the College were departing from their duty in respect to the Fund they were directed to present the matter to the Supreme Judicial Court of Massachusetts. The financial officer of the College was and is the Treasurer; the financial officer of The Charity Fund was at first called the Financier and later the Commissioner. During the first half century, the offices of Treasurer of the College and Financier of The Charity Fund were held by different individuals, except for half

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a dozen years when John Leland held both positions. Since 1878, the Treasurer of the College has been Commissioner of The Charity Fund. In 1941, by unanimous vote of the Trustees of the College and of the Overseers of The Charity Fund, and with the unwritten approval of the Attorney General of the Commonwealth, The Charity Fund became an integral part of the college endowment like the other funds of the College, and the dual organization came to an end.

The Charity Fund is older than the College. The Constitution and By-laws were dated May 1818, three years before the College opened its doors, and the Fund was raised in the twelve months following. The goal was a fund of fifty thousand dollars. Pledges and gifts were secured from some two hundred and seventy-five subscribers. The largest subscription was for three thousand dollars and was paid by the transfer to the College of land in Maine; the smallest was for five dollars. All were from residents of New England, most from towns in Massachusetts. There were no subscriptions from the residents of Boston or Worcester, the two largest cities in the state; only two from Springfield, of one hundred dollars each. But from Hadley, Sunderland, Conway, Attleboro, Southbridge, Wrentham, Greenwich, Hardwick, Heath, and dozens of other small towns came the pledges which made the College possible. The individual subscriptions to the Fund had totaled some thirty-seven thousand dollars, and the balance of fifteen thousand dollars was pledged by several Amherst men who bound themselves jointly and severally to raise the amount within two years. Three of these guarantors are described in the bond as "gentlemen," three as lawyers, one as "clerk," one as "innholder," and one as "husbandman." The three described as "gentlemen" were in fact farmers, and David Parsons, described as "clerk," was the pastor of the local Congregational Church.

For some years a number of the subscribers paid simply the interest on their subscriptions; some of the subscribers, because of changed circumstances, were unable to meet their pledges. The land in Maine, given by Dr. Rufus Cows of Amherst, and "estimated by him at \$3,000" was too far

away to be handled by the Trustees and was exchanged for land in Pelham worth about \$700. There was 100 acres of wild land in Craftsbury, Vermont, carried at an estimated value of \$400 on which it was difficult to realize. There was also woodland in Sunderland, woodland in Amherst, and a farm in Amherst, all turned over in payment of subscriptions. By 1828 the Fund had shrunk to \$44,633, of which over \$13,000 consisted of notes of the original donors which had not yet been paid.

The Constitution and By-laws, which are said to have been passed on by Jeremiah Mason and Daniel Webster, two of the best-known lawyers in the country, both practicing in Portsmouth, New Hampshire, provided that the Fund should be invested "only in productive real estate, in the bonds of the United States or of Massachusetts or other government bonds, or in mortgage notes secured by real estate." Five-sixths of the income was to be paid to the College (as soon as established) for scholarships for students preparing for the ministry, and the remaining one-sixth of the income was to be added each year to the principal. And the Constitution adds that "the principal of the fund shall be sacred and intangible, not subject to be diminished by any exigency, the act of God excepted," and provides for the most careful scrutiny by the Board of Overseers to see that the purposes and conditions of the Fund are observed with meticulous care from year to year by the Trustees of the College.

Some of the early records of the Fund were destroyed by fire when the building in which the college treasurer had his office was burned in 1838. All of the books and papers in the hands of the secretary of the Board of Overseers passed through the great Boston fire in 1872, and were taken from the ruins in a good state of preservation. But while most of the financial records of the College before 1870 are gone, we have today almost complete the records of the Charity Fund from 1828 down to the present. We know too that the Charity Fund was the only endowment of the College when the College opened in 1821, and that for a quarter of a century it remained substantially the only endowment. Its early rec-

ords are therefore particularly significant in any study of the endowment of the College.

The report dated September 20, 1828 is signed by Lucius Boltwood, Auditor. It recites that “ of the original fund there is at this time

Invested in real estate	\$12,478.72
Notes for money loaned and secured by mortgage	18,725.00
Notes and Bonds of the original donors	13,429.61
	<u>\$44,633.33 ”</u>

The real estate includes:

Nine acres on which the college buildings are erected	\$1,800.00
3½ acres adjoining the above	450.00
President’s House lot 84½ rods	284.88
as well as land in Pelham, Sunderland, Hadley, Amherst and Craftsbury, Vermont.	

In other words, the Charity Fund owned the land on which the college buildings were located, as well as the house lot on which the president’s house stood. The president’s house was not of course the present house, which was not built until 1834, but the first house for the president, located approximately where the Psi U House now stands. Later the new president’s house was mortgaged to the Fund.

And among the notes held by the Fund are listed the following:

April 1, 1826 Note and mortgage Trustees of Amherst College	\$10,000.00
Feb. 5, 1827 Note and mortgage Trustees of Amherst College	559.83
April 1, 1827 Note and Mortgage Trustees of Amherst College	300.00
April 1, 1828 Note and mortgage Trustees of Amherst College	300.00

The Trustees paid interest at 6% on these notes.

And so for many years, in fact until 1843, the Charity Fund owned the college campus, held a mortgage on most of the college buildings, and held the notes of the Trustees of

Amherst College, some secured by mortgage, some unsecured. The amounts varied from year to year; in 1846 the Charity Fund held the notes of the College for some \$12,465. By 1847 they had all been paid off, though on occasion in later years, at least as late as 1875, the College borrowed from the Charity Fund.

What are we to say about the action of the Trustees in their use of the Charity Fund during these years? Hitchcock, who was a member of the faculty throughout this period and who succeeded to the presidency of the College in 1846, has expressed his opinion with his usual candor. "I must think," he says, "the right to do this was very questionable. For it was in fact converting money which had been obtained for educating indigent young men, to other purposes, since there was no adequate security, and had the whole enterprise failed I doubt not this course would have been quoted as a perversion of funds." "The College after a long and desperate struggle," he continues, "triumphed over its pecuniary embarrassments, and was able therefore to pay all its indebtedness to The Charity Fund, and hence the correctness of this course was never called in question." Hitchcock undoubtedly expressed himself with equal vigor in conversation at the time, but these caustic words were his considered opinion at a later date when he put them in print for circulation among the alumni and friends of the College.

A careful study of the Constitution of the Fund and reflection on all of the facts which have come down to us in the records lead me to the opposite conclusion. The purchase of the college campus was an investment in productive real estate, and the College paid rent. The principal loans to the College were secured by mortgage, and the College paid its interest promptly. At no time, as far as I can find, did the total obligation of the College to the Fund amount to as much as a third of the conservative value of the security pledged. And the income of the Fund was at all times handled with scrupulous care in accordance with the terms of the Constitution; one-sixth was added annually to the principal, and the remainder used for scholarships for ministerial students.

The purpose of the donors is expressed with great clarity and is repeated in the Constitution: the education of indigent young men of talent for the ministry *at the collegiate institution at Amherst*. It was not for their education at some college selected by the Board. And to educate them at Amherst, it was necessary that the institution be kept alive. The Amherst Board then and later included in its number lawyers of unquestioned ability and character. Hitchcock, on the other hand, had no training in the law; he was a scientist; and he had a prejudice amounting almost to a fixation against borrowing money. Undoubtedly he saved the College from extinction in 1846 when he became president. But it seems equally clear that if his views had prevailed in the 1820's and the 1830's, the College would not have lived a decade, and his great talents would have found an outlet in some other institution, perhaps in Yale or Dartmouth. Furthermore, the policy of making loans from the Charity Fund to the College was approved not only by the Trustees of the College, but, in addition, by unanimous vote of the Board of Overseers of the Fund itself. Their vote passed on August 23, 1825 reads as follows: "Resolved, by the Board of Overseers that it corresponds with their views of the object for which the Charity Fund was formed as expressed in the Constitution for the Financier to loan to the Trustees of Amherst College any part of said funds upon such ample security for the same as would be required of any individual or any other body of men."

The early investment policy of the Charity Fund seems to be open to just criticism on another score however. The Constitution provided explicitly that all personal loans should be secured by mortgage on real estate; and in spite of this clear mandate, loans were made without this collateral. Finally criticism was brought to the governing boards. At the annual meeting of the Overseers of the Fund in 1839, a committee was appointed "to report to the Trustees in writing that they were dissatisfied with the manner in which the funds had been invested."

If we were dependent on the official record, we should

know nothing of the reasons which led the Overseers to take this action. Their written communication to the Trustees has not been found. The present writer, however, received some years ago from an alumnus some correspondence found in an old trunk which belonged to his great-grandfather, Thomas Bond, who was a member of the Board of Overseers at the time. The correspondence is deposited in the Hitchcock Memorial Room.

Thomas Bond (1777–1852) had been a merchant in West Brookfield, Massachusetts, and had retired at the age of forty-eight with a comfortable fortune and moved to Springfield. He first became interested in the College through his West Brookfield minister, Dr. Snell, who had received, in 1828, the first honorary degree of Doctor of Divinity conferred by the College. Bond was a member of the Board of Overseers for thirteen years, secretary of the Board at the time of this correspondence, and a generous benefactor of the College. The letters were addressed to him by Hezekiah Wright Strong, an Overseer, and George Grennell, a Trustee. Strong (1768–1846) had been intimately associated with Colonel Graves and Samuel Fowler Dickinson in the founding of the College, had personally selected the site for the College, and was an Overseer from 1821 until his death. For many years he was the Amherst postmaster. Grennell (1786–1877) graduated from Dartmouth and practiced law in Greenfield. He held successively the offices of District Attorney, member of the Legislature, member of Congress, and Judge of Probate. He was elected to the Amherst Board by the Legislature and served from 1839 until 1859. In 1858 the College conferred on him the honorary degree of Doctor of Laws.

Overseer Strong's letters were written in language that is more vigorous than diplomatic. The Overseers were in fact deeply concerned about Lucius Boltwood, who as Financier of the Charity Fund was investing the principal of the Fund. Boltwood was said to be living expensively, and to be spending at least twelve hundred dollars a year, while his cash income was supposed to be not more than five hundred dollars.

He was said to be speculating in government lands in Michigan, and he had loaned nine hundred dollars from the Charity Fund to a McFarland, taking as security a mortgage on Michigan land. The Overseers were the more disturbed because Boltwood was responsible in the first instance to the Prudential Committee of the Board of Trustees and several of this committee were supposed to have invested privately in government land in Michigan. It was said, for example, that President Humphrey had invested one thousand dollars, General Mack ten thousand dollars, and Luke Sweetser five thousand dollars, and these three gentlemen constituted a majority of the Prudential Committee. It was also pointed out that Boltwood had resigned the presidency of the Amherst Bank because of a difference of opinion with his directors on the investment of the funds of the bank. Certainly the correspondence shows a lively interest in the safety of the Charity Fund, and a watchful scrutiny of the habits of the Financier.

Grennell's letter, written ten weeks later, contained an informal report to the Overseers on the action of the Prudential Committee. It is a model of calm, objective statement of facts. After expressing appreciation for "the very earnest solicitude" of the Overseers, he says that the Prudential Committee has gone over the investments of the Charity Fund made by the Financier, and has taken action in regard to those considered inadequately secured. "The Committee required increased, and as we believed adequate, security to be given for the notes of Mr. Sweetser & Mr. Boltwood. . . . The Committee found a note in the Financier's hands of \$900 against C. M. McFarland — attempted to be secured by a mortgage of an undivided half of 1400 acres of land in Michigan. . . . The Committee were dissatisfied with this loan and intended security, and directed, so far as they have power to do it, that the Financier should, if possible, effect a change of the security, so as to make the note safe, or to use his endeavors to enforce a payment of the note. . . . The Committee expressed a decided opinion that no moneys of the Fund should be loaned on mortgage of real estate lying

without this Commonwealth, for obvious reasons.” And later in the letter Trustee Grennell points out that the few unsecured notes held by the Fund were for old subscriptions, and “require some attention.”

Under the standards of today the loans by the Financier to himself and to Sweetser of the Prudential Committee would be subject to immediate criticism. It is interesting to observe that no comment is made on this point in 1839. Both loans were paid in full. The McFarland loan of \$900 was a total loss, and the Fund was not able to realize on the half interest in 1400 acres of Michigan land.

There were other reasons for dissatisfaction with the investment policy of the Financier which are not mentioned in the correspondence and which became apparent before two years had passed. In the year 1831–32 the Financier had bought seven shares of stock in the Amherst Bank at par. Two years later he reported that he had added to his investment in bank stock, and now held twelve shares in the Amherst Bank and forty shares in the Northampton Bank, all bought at par of \$100 per share. By 1836 the Fund’s holding of bank stocks had increased another thousand dollars by the purchase of ten more shares in the Amherst Bank. Thirteen per cent of the Fund’s capital was now invested in bank stock, for which there was no authority in the Constitution. And four per cent was invested in notes of individuals unsecured by mortgage. The report of the Financier for August 20, 1840 lists the Fund’s investments as follows:

Real estate:			
College lot	\$2,250		
Woodland Sunderland	130		
Woodland Craftsbury, Vt.	400	\$ 2,780	
Bank Stocks:			
40 shs Northampton Bank	4,000		
22 shs Amherst Bank	2,200	6,200	
Notes secured by mortgage		37,525	
Notes on personal security		1,757	
Cash		470	
		<u>\$48,732</u>	

This report was presented to the Trustees of the College at their annual meeting on August 24, 1840 and was referred by the Board to a committee composed of Trustees Vaill, Calhoun, and Foster. Dr. Vaill was a retired minister who had devoted himself for some time to raising money for the College. William B. Calhoun was a graduate of Yale, a leading lawyer in Springfield, and had already served ten years in the Legislature of the Commonwealth, the last two years as Speaker of the House, and was now serving his district in the Congress of the United States. The *Springfield Republican* in referring to him said that "the one superior element in his character and life was its high moral quality," and he was said to have the finest library of religious and theological books in the region. Alfred D. Foster was a graduate of Harvard and a lawyer in Worcester who devoted most of his time and talents to public and civic affairs. Four years later he was to resign from the Amherst Board because he could not send his own son to Amherst, but his colleagues persuaded him to withdraw his resignation. It was obviously a strong committee. The committee recommended the approval of the Financier's Report and general approbation of his investment policy except the McFarland loan. But the point of the report is in the final sentence that "all future loans should be secured by mortgage of land of at least three times the amount of the loan independent of any buildings, and in the future all funds should be invested in this way."

Obviously there was nothing to be done about the shares in the Amherst Bank. A year later the Financier reported them as "value uncertain, say \$1,100." and the next year they were charged off. The Fund recovered some \$457, or about twenty per cent, on the liquidation of the bank. The loss of some \$1,650 on an investment would seem small to us today. But a century ago it meant a loss of nearly four per cent of the capital of the Fund.

The following year, that is in 1841, the College Board amended its vote of the year previous so that it should not apply to loans to the College; and then voted that in future the Financier should submit his loans and collateral to the

Prudential Committee for approval by a majority of the committee.

The stock in the Northampton Bank was held in the Fund until 1879, when it was sold at par to the College. It had yielded a good return in dividends meanwhile.

In 1858 a committee reported to the Trustees of the College that all notes in the Charity Fund seemed properly secured except one, and that was for \$170 and was a gift. The Trustees directed the Commissioner of the Charity Fund to have appraisals made in advance on land offered as collateral for a loan from the Fund. And at the same meeting the Trustees authorized a loan from the Charity Fund to the College for three thousand dollars, in addition to the loan of two thousand dollars already made to meet a debt of the College for new building, falling due the following April.

In 1862 the Trustees of the College directed the Commissioner of the Charity Fund to invest all funds available during the coming year in bonds of the Commonwealth, or of Boston, or of the United States, and to consult with Trustee Alpheus Hardy in making such investments. And the policy was continued throughout the war. By 1867 the Charity Fund held \$37,000 U.S. governments and only \$23,000 notes secured by mortgage. And in 1870 the Fund sold \$35,500 governments at a premium of about ten per cent, and invested the proceeds in good 7% mortgages.

With the exception of this patriotic concentration on governments, and the Northampton Bank stock, the Charity Fund stuck closely to personal loans secured by mortgage. These loans were made by the Financier or Commissioner very much as they would have been made by a Savings Bank. They provided an interest return of six per cent, and sometimes of seven per cent. In 1851, for example, the Fund contained forty-nine individual loans of an average amount of \$1,000. The largest was \$4,000 and the smallest \$100. In 1875 there were fifty-seven loans of an average amount of \$1,200. The largest was \$5,000 and the smallest \$200. While there was no chance for appreciation, the ratio of loss was very low, and on default the Commissioner could take the land

on foreclosure and realize what he could. Meanwhile, the addition of one-sixth of the income each year to principal was building up the Fund. When Treasurer Austin Dickinson became Commissioner of the Fund in 1878, the principal had risen from some forty-six thousand dollars to over seventy-six thousand dollars. But the policy of investing in personal loans secured by mortgage continued down into this century, when it was discontinued in favor of prime first mortgage bonds in larger blocks. On June 30, 1948 the principal of the Fund stood at \$118,197.42.

There were four Financiers (or Commissioners) in the first half century of the Fund: Rufus Graves, 1822 to 1826, John Leland, 1826 to 1833, Lucius Boltwood, 1833 to 1866, and Luke Sweetser, 1866 to 1877. All were residents of Amherst who had been closely associated with the College from its earliest days. Colonel Graves (1758-1845) was born in Sunderland, and graduated from Dartmouth. For a time he was a lecturer in chemistry at Dartmouth. He moved to Amherst perhaps as early as 1817 and engaged in a number of business ventures, all of which proved financial failures. He was the first lecturer in chemistry at the Amherst Collegiate Institution, as the College was called before it received its charter in 1825. But he is remembered as one of the two most influential men in the founding of the College. He was never a trustee; he did not have the temperament to make a good trustee; but he was a member of the Prudential Committee, appointed by the Trustees, for two years and was Financier of the Charity Fund until 1826. The crusading qualities which carried him through the struggles for the College and which led his neighbors to wonder whether he was not in fact beside himself were not the qualities required after the College was in existence.

He was succeeded by John Leland, the first Treasurer of the College, whom I must discuss in more detail a little later in this story. Leland served as Financier for seven years at a salary of \$200 per annum (his salary as Treasurer of the College was \$300 per annum).

Lucius Boltwood, who had audited the accounts of his

predecessor, was elected Financier in 1833 and served for thirty-three years. His entire life of eighty years (1792–1872) was spent in Amherst, and Professor Tyler, who wrote the semicentennial history of the College in 1872, says that Mr. Boltwood doubtless knew more of the history of the institution at firsthand than any living man. Boltwood graduated from Williams College in 1814, studied law in the office of Samuel Fowler Dickinson of Amherst, and practiced his profession in his native town for the remainder of his life. He was a trustee of Amherst Academy for almost half a century and was for most of the time secretary of the Board. He was secretary of the Board of the College from 1828 to 1864, and Financier of the Charity Fund for a third of a century, at a salary of two hundred dollars a year. At the first commencement of the College after it received its charter, he received the degree of Master of Arts, *ad eundem*, the first conferred by the College. And in the early days of the College he often lent his personal credit to secure funds for the struggling institution. He resigned his post as secretary of the Board at the time when his son, then the college librarian, was involved in a controversy with the president and the Board. When the Liberal Party was founded in Massachusetts, he was its first candidate for Governor at a time when “such a candidacy was deemed a reproach,” says Tyler.

Luke Sweetser, who succeeded Boltwood as Commissioner, was the leading merchant of the town. Born in Athol, he moved to Amherst in 1821, just as the College was opening. He was a member of the Prudential Committee of the Board every year from 1833 to 1864, secretary of the committee for the entire period, and for most of that time its agent and executive. He was the most active member of the Building Committee for Appleton Cabinet and East College, and was in addition a generous donor. For nearly half a century he was an active worker for the College.

Between 1822 and 1941 there were some thirty-seven members of the Board of Overseers. Their duty was to examine the reports submitted to them and to determine whether the Trustees of the College were carrying out the

true purposes of the Fund. As a matter of fact, the duties of the Overseers were nominal, and the office was largely honorific. In the early days it was in fact difficult to get a quorum at the annual meeting. The members of the Board of Overseers in 1941, when the Fund was merged with the Consolidated Funds of the College, were Messrs. Bixler, '82, Moody, '92, Esty, '93, Robinson, '96, Hammond, '00, Boyden, '02, and Whitcomb, '04. Paul D. Weathers was the last Commissioner of the Charity Fund.

The Charity Fund in the early days was called "the sheet anchor of the College," and such it was. Without it there would have been no college. For a quarter of a century it was the only endowment the College had. It will continue to grow from year to year; it will continue to provide scholarships for indigent young men of talent. Preference will be given in the award of its scholarships to students who are preparing for the Christian ministry. But as the endowment of the College has grown from decade to decade, the relative importance of the Charity Fund has of course decreased. Today it is only one of the many funds which support the work of the College.

Chapter Three

JOHN LELAND, Treasurer 1825–1835

John Leland was elected treasurer of the College at the first meeting of the Board of Trustees on April 13, 1825. He was born in Peru, Massachusetts, in 1793, the son of a country minister who served his hill-town parish well on a salary of two hundred dollars a year. In 1820 John Leland moved from Peru to Amherst, and began to take an active part in raising funds for the College. He served as treasurer of the College for fourteen years, including the four years before the College received its charter, at a salary which never exceeded \$300. It was in fact the same as that paid the first full-time janitor. From 1826 to 1833 Leland, as we have seen, was also Financier of the Charity Fund at a salary of \$200 a year. He was a deacon in the village church for fifteen years; senator from Hampshire County in 1833–1834; and representative in the legislature in 1847. Upon his resignation as treasurer in 1835 he moved to Roxbury, but in a few years returned to Amherst to spend the rest of his life.

Leland as Financier of the Charity Fund collected the subscriptions to the Fund, attempted to sell the real estate given to the Fund in payment of subscriptions, paid the taxes on the real estate, and loaned the Fund to individuals in the vicinity on the security of first mortgages on real estate. As Treasurer of the College he collected the term bills from the students three times each year, and was affectionately known by them as "Deacon Term-bill." He was directed by the Board to "make suitable provisions for the entertainment of the Trustees and the Board of Overseers previous to the

meetings, also to provide suitable rooms for holding their sessions, and to make arrangements for public dinners on Commencement Day." And, in addition, he was to make "permanent and economical arrangements for the entertainment of all committees appointed by the Board." Of course he kept the books of account of the College in which he recorded all receipts and disbursements, but, unfortunately, none of these survived the fires which plagued the college treasurers in the last century.

His heaviest responsibility was the payment of the bills of the College. Receipts from students were inadequate then, as they have been ever since, to maintain a college like Amherst. Fifty-nine young men were enrolled in the College its first year. The tuition of thirty dollars a year covered room rent, lights, etc., in addition to tuition itself. If all the students paid full tuition, the income from fees would amount to only \$1,800, while the salaries of the president and the three professors made a total of \$3,600. To keep the College alive the treasurer was forced to borrow money, and he continued to borrow throughout his entire term of office. In addition, the Trustees asked him to raise money for the Thirty Thousand Dollar Fund. How much labor and vexation this must have caused him, the reader can imagine by inspecting any page in his books, a specimen of which appears in the appendix of Tyler's History of the College. "The small sums of which much of it was made up by contributions from cent and mite societies of women and children was a fruitful theme of ridicule in the legislature." And of course many of the subscriptions were never collected.

In addition to his other duties, Leland was a member of the Prudential Committee, inspector of buildings, grounds, and repairs, the working member of the Building Committee, and in fact the responsible officer of the College in all non-academic matters. The College was not only spending for current operating more than it took in, but it was carrying on a building program as well. Leland was a constant borrower for the College, and he borrowed where he could. Often he had to guarantee the college note, and at times he

pledged his own credit to the full amount of his own property. By 1827, two years after the College received its charter and six years after it opened its doors, the debt had mounted to over \$30,000. Leland had borrowed over \$10,000 from the Charity Fund, \$3,000 from the Sunderland Bank, \$2,000 from the widow of President Moore, \$600 from the wife of President Humphrey, and \$4,000 from a John Hopkins of Northampton. In addition to devoting most of his time to the affairs of the College and pledging his personal credit, he gave more money to Amherst than any other person residing in the town. But there was a limit even to Leland's resources of time and strength, and in 1829 Dr. Vaill was given a permanent appointment to solicit gifts. In 1832 President Humphrey headed a group to solicit \$50,000 from the public, and at another time an effort was made to raise a fund of \$100,000. But as Hitchcock remarks, "the most vigorous efforts of the agents were barely sufficient to keep the wheels in motion, and pay, often tardily, the rather small salaries of the officers and the interest on the debt." Without the Herculean labors of Dr. Vaill and Treasurer Leland and their associates, the College must have become bankrupt.

Behind the treasurer were the Trustees; seventeen men including the president of the College who was *ex officio* a member of the Board. The charter required that the Board at all times include seven clergymen and ten laymen. Five vacancies were filled by the legislature, and this practice continued for half a century, until the charter was amended, and the five places formerly filled by the vote of the legislature were thereafter filled by vote of the alumni. In the early days of the College, many of the men chosen by the legislature took little active part in college affairs; some took no part. Travel was difficult and a journey from the eastern part of the state to Amherst was a matter of some moment.

The Trustees, faced with the mounting debts of the College, hoped for some financial aid from the Commonwealth of Massachusetts, which had made grants to both Harvard and Williams on occasion. In 1827, two years after the granting of the charter, they therefore appealed to the legislature

for a grant of money; the appeal was unsuccessful. Again in 1831, and again in 1837, they presented appeals, with no better success. Williams College in its turn presented appeals to the legislature in 1837 and in 1839 and in 1842, without success. Finally, in 1846, the Trustees of Amherst once more prepared the customary petition. The president of the Senate was now William B. Calhoun of Springfield, who had been a trustee of the College since 1829. The chairman of the Joint Committee to which the petition was referred was Jonathan C. Perkins, an alumnus of the class of 1832. There were at least two other Amherst men on the Committee and several other alumni in the legislature. In March 1847, the governor signed a bill granting the College the sum of five thousand dollars annually for five years.

Two years later, in 1849, the College again made an appeal to the legislature for financial assistance, this time in company with Harvard and Williams. President Hitchcock journeyed to Boston, where he conferred with President Sparks of Harvard and President Mark Hopkins of Williams. The three presidents decided to ask Edward Everett to represent them before the legislative committee. Everett had recently retired from the presidency of Harvard; he was one of the leading orators of his time. His presentation of the case for the three colleges was subsequently printed and a copy is in the archives. It did not persuade the legislators, and, as we read it today, we are compelled to agree with their decision, for he presented no facts to sustain his appeal.

The College subsequently received two further grants from the Commonwealth. In 1859 a bill was passed granting a portion of the money received from the sale of the Back Bay lands in Boston, which had recently been filled in by the State, to five institutions, including both Amherst and Williams. The share of each college was twenty-five thousand dollars, to be paid when the college raised an equal amount from other sources. Amherst met this condition in 1861, when Dr. Walker gave \$25,000 to found the Walker Professorship, and in 1863 the Amherst treasurer received the grant from the Commonwealth. In the same year, the legislature made

a grant to the College of \$2,500 for Dr. Hitchcock's Department of Natural History. Since 1863, Amherst has received no grants from either state or federal government, and, so far as I can find, has made no request for such aid. These early subventions from government, however, came at a time when the College was sorely in need of help to keep it solvent. And the College's record since has abundantly justified the confidence of the members of the legislature who piloted the bills through committee and enactment.

It will be interesting to consider what trustees exercised responsibility and leadership in the business and financial problems of the early college. At the first meeting of the Board, held on April 13, 1825, the first business transacted was the election of officers. The next was the election of a "Prudential Committee." The duties of this committee, which for many years was the only standing committee of the Board, are defined in the By-laws of the Board adopted at its next meeting. The Committee was "to take general superintendence of the business of the College, to watch over its pecuniary interests, and advise with the Treasurer and Financier as to the discharge of the duties of their respective offices, and to require from these officers whenever deemed expedient a statement of their accounts or a delivery of the money and other property of the college in their possession, and generally to do what the Trustees themselves would do were they in session in the protection of the sound interests of the college." The Prudential Committee functioned actively for nearly half a century, and, to some extent at least, until the 1890's. Many of its duties were assumed by the Finance Committee, which was formally established in 1873, and by 1896 the Prudential Committee is not mentioned in the list of standing committees of the Board.

The membership of the Prudential Committee elected in 1825 is significant. It included President Humphrey and four hard-headed laymen: Strong, Smith, Graves, and Leland. Only the president and Lewis Strong were actually members of the Board. Leland was Treasurer and later Financier as well, and was of course the working member of the commit-

tee. Lewis Strong (1785–1863) was a Northampton lawyer, a graduate of Harvard, and son of a former governor of the Commonwealth. Chief Justice Parsons of the Massachusetts Supreme Judicial Court said of him, “he is the strongest lawyer in all the western counties.” Strong attended every meeting of the Board until his resignation in 1833, and was a member of the Prudential Committee throughout this period.

The fourth member of the earliest Prudential Committee was a country banker, Nathaniel Smith (1759–1833) of Sunderland, founder and for many years president of the Sunderland Bank. Smith was a trustee from 1821 to 1825, before the College received its charter, but by mistake his name was omitted from the list of trustees included in the charter of the College. Nonetheless, the Board appointed him to the Prudential Committee, and in 1828, when the first vacancy occurred in the Board, he was formally elected a trustee and served until his death in 1833. He continued on the Prudential Committee until a year before his death. He was by far the largest pecuniary benefactor of the College during its first ten years. “As nearly as can be ascertained,” says a note of President Humphrey, “Mr. Smith whose property, it is presumed, never exceeded thirty thousand dollars, had contributed about eight thousand dollars to the College before his death, and his will contained a legacy of four thousand dollars more.” In addition, he was one of President Humphrey’s closest advisers, and the bank of which he was president often loaned money to the College. On his death, the president preached a sermon delineating his character, which was entitled *The Good Arimathean*, taking his text from Luke 23:50. Mr. Smith’s wife was a sister of Colonel Graves, and both Mrs. Smith and Mrs. Graves were active in behalf of the College. Mr. Smith was long remembered in Sunderland as “the poor man’s treasurer and the widow’s friend.” We have seen that the Sunderland Bank, of which Smith was president, moved to Amherst and became the Amherst Bank in 1831, and that the following year the Charity Fund began its acquisition of stock in the bank. The fol-

lowing year Mr. Smith died, long before the defalcations of the cashier ruined the bank in the next decade.

And the Prudential Committee included Colonel Graves, whom we have already met in a preceding chapter. He remained on the committee only two years.

The name of another lay trustee, not a member of the Prudential Committee, stands out dramatically in the story of the early finances of the College. Because of his cosmopolitan background, which contrasts with the parochial experience of many of the early Board, because he was the first and for many years the only trustee chosen from New York City, and because of his dramatic qualities of personality, Sampson Vryling Stoddard Wilder (1780-1865) was vividly remembered by his early colleagues on the Board. He served from 1824 till 1841. Starting as a clerk in his native town of Lancaster, Massachusetts, he later moved to Boston and opened a mercantile business of his own. It was while he was still a clerk in Mrs. Henley's store on Main Street in Charlestown that he participated in making medical history. The use of vaccination for smallpox had recently been discovered in England, and was introduced in this country by a Boston physician. There were strong prejudices against its use here on religious grounds, and the Boston physician consulted his minister, as he was unable to find any person whatever who would volunteer to submit to be vaccinated. The minister took the physician at once to Mrs. Henley's store and introduced him to young Wilder. Wilder promptly rolled up his sleeve and was the first person in the United States to be vaccinated. Happily, there were no ill effects. The three sons of the minister were the next to volunteer to serve as guinea pigs. Wilder's reputation for integrity and his charm of manner gained the confidence of William Gray, the merchant prince of Salem, who made him the agent for his business in Europe, and he is said to have made over a hundred thousand dollars for Gray. Between 1803 and 1823 Wilder resided most of the time in Paris, making immense purchases of silks and other French goods for different American and English houses. He crossed the ocean sixteen times, and the

crossings in the sailing vessels of the day were not the common occurrences they later became in the age of steam. He represented the United States at the marriage of the Emperor Napoleon, as our Minister was sick and unable to be present. He was present when the victorious allies marched into Paris. And he even developed a plan for Napoleon's escape to this country in one of the Wilder vessels, and offered Napoleon shelter in his own country home in Bolton, Massachusetts. Returning to this country in 1823, he opened business in Wall Street, became the first president of the American Tract Society, and a trustee of the Collegiate Institution at Amherst which had not yet secured a charter.

One of his most important and most dramatic services to the College was performed in 1824. The legislature had appointed an Investigating Committee to visit Amherst, with the power to subpoena witnesses and papers and to report on whether a charter should be granted the young institution. It had been said by the opponents of the College that the subscriptions to the Charity Fund would never be paid in full, that many had been obtained by false representations, and that, according to the College's own showing, it did not have funds sufficient to sustain a college. The opposition was led by a representative from the Berkshires and by one from the town of Northfield whom Tyler describes as a "rum-selling Unitarian minister." When the Committee opened its hearings in Amherst, the College produced the notes which had been given to the Charity Fund. The first was signed by a resident of Danvers. One of the lawyers asked, "Who is this Mr. P. who signs this note? Who knows anything about his responsibility?" "Will you let me look at that note?" said Mr. Wilder, who was present as a trustee. After looking at it for a moment, he took a wallet from his pocket, and said, "Mr. Chairman, I will cash that note," and laid down the money. The second and third notes that were questioned he cashed in the same way. The chairman then interposed and said, "We did not come here to raise money for Amherst," and after that, few objections were raised to the soundness of the pledges to the Charity Fund. President

Humphrey remarked in one of his historical sketches that the investigation was worth more to the College than a subscription of \$10,000. Unfortunately, we do not know how much money Mr. Wilder brought up to Amherst from New York for this hearing. The legislative committee made its report in the autumn and the charter was granted.

An earlier and unsuccessful effort of Mr. Wilder's for the College, he himself told later. Soon after his election to the Board, President Humphrey persuaded him to call on his old business friend, William Gray of Salem. Gray was a Unitarian and had been lieutenant governor of the Commonwealth. Colonel Graves had been working on him for several months in the hope of a generous subscription and also of converting him to the orthodox faith of Congregationalism, but without success in either aim. Wilder, with the authority of the Board, then called on Mr. Gray and told him that if he made a gift of \$30,000 to the College, the College would change its name to Gray College and would set aside two rooms where his descendants could have free tuition, room, board, lights, etc., in perpetuity. Gray declined. When the charter was granted, Mr. Gray was named a trustee, but he died before taking office. The sequel, as told by Mr. Wilder, is equally dramatic.

Seven years after the death of Mr. Gray, two men called on Mr. Wilder in Wall Street to beg that he use his influence to secure free tuition at Amherst for a grandson of William Gray, whose father had spent his large patrimony in seven years and was now a physical wreck with eleven children dependent on him. Mr. Wilder replied that the college funds provided free tuition only for young men of hopeful piety preparing for the ministry, and that as young Gray did not have this profession in mind, he could do nothing for him. "On these gentlemen retiring from my office," says Wilder, "I was left with a sorrowful heart, reflecting on the mutability of all earthly calculations, yet consoled with the cheering thought that the wise designs of God will, through all, be accomplished."

Mr. Wilder was a constant attendant at all meetings of the

Amherst Board; probably the trip by boat from New York to Hartford and by stagecoach from Hartford to Amherst was of little moment to a man who had crossed the North Atlantic so often in sailing vessels in all seasons of the year. On several occasions when the College was in desperate straits, he became personally responsible for large sums for its relief. One method by which he and others assisted the College financially was to give the treasurer a note which the treasurer then discounted at the bank. When the note came due, the treasurer was expected to find funds to take it up without calling on the maker of the note. After Wilder's death such a note of his turned up in the files of the College, and the Trustees directed the treasurer to cancel it instead of presenting it as a claim against Wilder's estate.

When financial misfortune at last overtook him, he resigned from the Board on the ground that he could no longer contribute as he had done in the past. President Humphrey's letter in accepting the resignation is a touching tribute of the feeling of the Board for one who had been with them "in six troubles, yea in seven."

Another trustee whom the College relied on in financial matters was Israel E. Trask (1773-1835). Born in Brimfield, he studied law in Richmond, Virginia. Later he served in the army that marched to suppress the insurrection in Western Pennsylvania known as the Whiskey Rebellion. And then, on the advice of Alexander Hamilton, he moved to Natchez, Tennessee, to practice law. On the purchase of Louisiana by President Jefferson, he was appointed to conduct the negotiations with the French authorities, and when Governor Claiborne went in with United States troops to take possession, Colonel Trask accompanied him as his aide. After practicing law for a few years in New Orleans, his health failed, and he returned to New England, to reside first in Brimfield and then in Springfield. He was a member of the Board from 1821 to 1835, during which time he missed only one meeting of the Board.

In 1835 John Leland resigned the office of treasurer of the College. It was two years before the panic of 1837 broke.

But the College was still in debt, as it had been almost from the beginning. The most valiant efforts of the treasurer and Dr. Vaill and President Humphrey and their colleagues had succeeded only in keeping the infant institution afloat. Hitchcock suggests that Leland's work, indispensable as it was, was not adequately appreciated at the time. Subsequent treasurers have worked tirelessly for the College and at inadequate salaries, but none, so far as I know, has pledged his personal credit in addition, and, beyond that, has made large financial gifts to the institution. Leland did this although he had a large and invalid family to support. On his resignation, the Board passed a resolution of appreciation which seems today peculiarly inadequate and indeed perfunctory. After briefly noticing "his long and faithful service" the Board thanks him "for the lively interest which he has ever taken in the prosperity of this Institution." The word "prosperity" in the resolution must have seemed ironic to the retiring treasurer who had struggled manfully for fourteen years to meet each college note when it fell due and who, through no fault of his own and no lack of prudent foresight on his part, had watched the College slip further and further into debt. Happily, he lived on for nearly thirty years, and for most of the time in Amherst, in the shadow of the college which he had tended and nourished in its infancy. When he died, in 1864, Amherst College was well founded and well established.

Chapter Four

EDWARD DICKINSON, Treasurer 1835–1873

In 1835 Edward Dickinson was elected treasurer of the College to succeed John Leland, and began a service which was to continue without interruption for thirty-eight years. When he took office the College was deeply in debt, as we have seen, and its expenditures each year were running ahead of its income. It had no endowment except the Charity Fund, its buildings were in a sad state of disrepair, its friends were in grave doubt as to whether the College could in fact survive. At the end of his term the College had assets of over a million dollars. Its endowment, including the Charity Fund (which now amounted to \$72,000), was valued at \$595,000. Its annual income was approximately \$50,000, of which \$28,000 was from student fees and \$22,000 from endowment income. "The best financier in the corporation," says Tyler, "has publicly announced, as the result of careful examination for many successive years, that, as Treasurer of Amherst College, Dickinson has never lost a dollar. And one of the sharpest and shrewdest of the Board of Overseers declares that after the most prolonged and patient scrutiny of Dickinson's books and accounts, only a single error of less than a hundred dollars could be detected, and that error was against himself." Edward Dickinson was a good treasurer; he was also the most distinguished citizen of Amherst of his day. He is now known as the father of a daughter Emily who seems reasonably assured of poetic immortality.

Edward Dickinson was the son of Samuel Fowler Dickinson, one of the founders of the College. Samuel was born in

Amherst in 1775, the son of a farmer in East Amherst, prepared for college with Judge Strong of Amherst, and graduated from Dartmouth at the age of twenty, receiving the second appointment, the Salutory Oration. A year later he had a severe illness which was the means of his conversion. He studied for the ministry, but, deciding he needed a more active life, changed to the study of the law. He ranked among the best lawyers in Hampshire County, was a representative of Amherst in the General Court, and later a member of the Massachusetts Senate. He was one of the founders of Amherst Academy and later one of the two most important men in the founding of the College. As Tyler says, "If Col. Graves was the hand, Esq. Dickinson was the head in the founding and rearing of Amherst College! When South College was being built, Mr. Dickinson pledged his private property to the bank to obtain money to continue the work. His own horses hauled the material for weeks at a time, and if he had no one available to drive them, he took the reins himself. He boarded many of the workmen, and sometimes paid their wages out of his own pocket. And at last became financially embarrassed and actually poor. And in his poverty he had 'the additional grief of feeling that his services were forgotten.' He later became Steward of Lane Seminary in Cincinnati and afterwards of Western Reserve College."

Edward was born in Amherst on January 1, 1803, educated in the public schools of Amherst and in Amherst Academy, was a member of the first junior class of the College, but transferred to Yale for his senior year and took his degree in 1823. He needed a degree and Amherst did not have the right to grant degrees until 1825. He studied law for two years in his father's office and a third year at the Northampton Law School, and began practice in Amherst in 1826. His practice continued for almost fifty years; he became the leading lawyer in the town; represented the town in the legislature on two occasions; for two years was a member of the Massachusetts Senate; for two years a member of the Governor's Council; and for one term a member of Congress.

"Edward Dickinson," says Tyler, "made enemies by his

unbending firmness of purpose and his great freedom and boldness of speech under excitement; but no enemy, whether personal or political, has ever questioned the integrity of his character, the purity of his life, or the breadth, depth, and intensity of his public spirit." He retired as treasurer in 1873 and died a year later.

Dickinson's initial salary as treasurer was \$300 per annum, the same as his predecessor's. When he retired, nearly forty years later, his salary had increased to \$666.67.

When Dickinson took office, economic conditions were deteriorating in the country as a whole. There was a crop failure in 1835, and two others in 1837 and 1838. In May 1837 the panic broke, with the suspension of the New York banks. In the summer of 1838, specie payments were resumed, but another reaction set in. Banks failed by the hundreds, unemployment spread, and prices fell. In 1841 the United States Bank suspended again, and was liquidated with the total loss of the stockholders' money. It was not until 1843 that business began to improve, but recovery was slow until 1845. Railroad construction was undertaken on an unprecedented scale, foreign capital came to this country, and for ten years we had a period of sustained prosperity known as the Golden Age. While New England suffered less than other sections of the country in the panic of 1837, it was a most trying time for a young treasurer of a struggling college. Happily, both the College and its treasurer survived.

I have been unable to find any of the books of account or other official records kept by Treasurer Dickinson. We have, however, the minutes of the Prudential Committee for this period, and they illustrate dramatically in what sore financial straits the College was. At its meeting in March 1834, the Committee authorized the treasurer to borrow \$300 to buy wood. In July 1837, it authorized him to borrow \$500 from the town. In April 1838, it authorized him to borrow \$2,000. In August 1839, the Committee requested the Trustees "to direct in what manner funds shall be raised to pay the debts of the College." In June 1841, the Committee authorized the treasurer to borrow from the Charity Fund. In May 1842, it

authorized him to borrow \$100 from S. F. Cutler. And in July of the same year, it authorized him to place a mortgage on the college buildings.

At the same meeting in 1842, there is a feeble suggestion of better things to come; the College receives thirty shares of the Randolph (Massachusetts) Bank, but the donor is to retain the income during his lifetime and that of his wife. And in October 1842 there is another bright spot; the treasurer is authorized to loan on good security any money that may be paid in for professorships.

But in August 1843 the Committee was forced to authorize the treasurer to place a mortgage on the president's house. And in February 1845 there is further borrowing from the Charity Fund.

Tyler tells us of the Herculean efforts being made during this period to save the College from complete collapse. In 1841 the debts of the College, he says, had reached an aggregate of \$15,000, and were increasing at the rate of three or four thousand dollars each year. In this emergency the Trustees drafted Dr. Vaill, himself a trustee, as agent of the College. Vaill resigned his pastorate in Brimfield and accepted the post, at a salary equal to a professor's salary. For four years he spent his entire time in soliciting gifts for the College. In August 1845 he was able to report subscriptions, conditional and unconditional, of \$67,000, of which he had collected and paid into the treasury \$51,000. And three years later, after the close of his agency, he reported the collection of \$4,433 additional. Many of the subscriptions were made on the condition that the College raise a total of \$100,000. To meet this condition required \$33,000 more. The resourceful Dr. Vaill was able to report that David Sears, a Boston merchant, was giving the College a fund of \$10,000; that a benevolent individual had placed the College in his will for \$11,000; and that he had a letter from another individual saying he had "the full intention" of founding a professorship by a gift of \$15,000. The majority of the subscribers, Tyler says, accepted this as meeting the condition of a \$100,000 fund, and made their subscriptions unconditional.

“But,” adds Tyler, “deduct from the \$51,000 which had actually been paid into the treasury by Dr. Vaill, the debt which was reported to the legislature in 1838 as \$15,000, the excess of the outgoes above the income in the interval of seven years at the rate of three or four thousand dollars a year, and the salary and expenses of the agent which exceeded \$4000, and it will be seen that very little remained.” And in a footnote Tyler adds that no one seems to have known just what the amount of the college debt was, an oblique commentary on the system of bookkeeping employed by the College at the time. My own guess is that Treasurer Dickinson knew at all times just how much the College owed; but as part of the debt was to outsiders and part to the Charity Fund, and as there was some question in the minds of Hitchcock and others as to the propriety of the action of the Prudential Committee in borrowing from the Charity Fund, the treasurer was embarrassed to make a positive statement as to the amount of the debt. We know that Dickinson was a man of stubborn uprightness, he was a competent lawyer; and the borrowing from the Charity Fund had begun before he became treasurer and was continued by order of the Prudential Committee, to which committee he was responsible. In any event, the College’s situation was so desperate that the president had no alternative but to tender his resignation to the Board. At a special meeting of the Board in Worcester in January 1844, the Board accepted President Humphrey’s resignation. The critical situation of the College was now so widely known that the two men whom the Board successively elected to the presidency of the College declined the post.

But at the Worcester meeting “the first gleam of sunshine from without dawned upon the College in the darkness,” says Tyler. David Sears, the Boston merchant, gave the College \$10,000. This was not only the largest donation, but the first donation of any considerable magnitude that had ever been given at one time by a single individual. It was the beginning of Mr. Sears’ Foundation of Literature and Benevolence.

And a year later, on April 14, 1845, Edward Hitchcock was inducted into office as president of the College. On the day of his inauguration, the Board accepted the gift of Samuel Williston of \$20,000 to found a professorship of Rhetoric and Oratory. A little later Mr. Williston offered \$10,000 more to found another professorship, provided the gift was matched, and Samuel A. Hitchcock of Brimfield gave the necessary \$10,000. The Board named this the Hitchcock Professorship of Natural Theology and Geology. Mr. Hitchcock's share was paid by the delivery to the College of ten shares of the stock of the Hamilton Woolen Company which he had bought two years before at par. Later, probably in 1850, when Hitchcock thought these securities might fall below par, he added two thousand dollars to the gift. Mr. Williston then offered \$20,000 more to found a professorship of Greek and Hebrew, and the Board named this the Graves Professorship. These gifts of Mr. Williston's amounted to \$50,000. They were secured by President Hitchcock, who knew that Mr. Williston had made a bequest of this amount to the College in his will, and suggested that he anticipate the gift. The president in return offered to change the name of the College to Williston, but Mr. Williston suggested that no action be taken during his lifetime.

In 1847 the College received its first grant from the State of \$25,000. The vote of the Board was as follows:

Voted, That \$4000 of the funds of the College, and enough more from the \$25,000 lately given by the State, to amount to \$12,465 be appropriated to the immediate payment of the college debt; which those sums would entirely cancel.

And voted, That of the remainder of the \$25,000 bestowed by the State, an adequate sum be devoted to the endowment of the Professorship of Chemistry and Natural History; which will hereafter take the name of the Massachusetts Professorship of Chemistry and Natural History.

"See how altered was the condition of the College!" exclaims Hitchcock. Its debt was paid; it had four endowed professorships and the Sears Fund; and it had a new building,

the Woods Cabinet. No wonder that when the president made announcement of these gifts to the student body after evening prayers, "the cheering was long and loud."

We may note in passing that in spite of the reduction in the debt by the money raised by Dr. Vaill, there was still a debt of over \$12,000 in 1847. Never again was the College in such desperate straits; financial problems it was to continue to have; other presidents would operate for years with mounting deficits; other treasurers would borrow money; vigorous pruning of expenses would often be necessary; but never again would there be grave doubt as to whether the College could go on. In 1847 the future of Amherst College was assured. Hitchcock saved the College from certain extinction. A new era opened.

The way he did it was relatively simple. President Humphrey had lost control of the situation. When income decreased, he had been unable to reduce expenses. Each year he had spent more than he had taken in; each year the situation became more hopeless; each year new efforts were made to beg money from the friends of the College; and each year the friends of the College became more and more loath to contribute to an institution which seemed unable to straighten out its own finances. Hitchcock balanced the budget by securing the agreement of his colleagues on the faculty to accept as compensation what was left at the end of the year after paying the operating expenses of the year. The interest on the college debt was not to be paid from current receipts, according to the agreement, and therefore accumulated till the debt was liquidated. We have still in the files the memorandum in Hitchcock's handwriting containing an estimate of expected income, an estimate of operating expenses, and an estimate of distribution of the remainder between president and professors. The parties agreed that the salary of the president should be 125% of the salary of a professor. They became partners in a co-operative enterprise. Each had the same incentive to save every unnecessary expense for the College. At once the budget was in balance. And throughout his term as president he made it a rule

which for him had almost a religious sanction, to spend no money for the College until the money was in hand. At the same time he discontinued the general solicitation of funds through an agent, and he never resumed this practice. The members of the Congregational churches in the towns of Massachusetts were no longer dunned every year for a contribution to the College; they soon saw that the College was a going concern. Hitchcock was as deeply religious as his predecessor, but he was a realist through and through. He was dyspeptic, crotchety, and pessimistic; he had none of the sanguine temperament which characterized the men who founded the College. They trusted in the Lord, and expected the ravens to feed the sons of the prophet who were gathered on "the consecrated eminence"; he trusted equally in the Lord, but not in the ravens. He insisted that the College pay its way each year. They founded the College; he placed it on sound foundations. They begged from the churchgoing public until they wore out this generous clientele; he presented the opportunity to a few men of large property to establish permanent funds to support the professorships. Men who were unwilling to pour money into a well that seemed to have no bottom recognized the integrity of his management of the finances of the College. Bruce Barton a hundred years later spoke of a gift toward the endowment of the College as "an investment in immortality." Hitchcock used the same argument, though probably not the same words. It was nearly eighty years before the College made another general appeal for funds; and then the appeal was to the alumni of the College, and was primarily for additional endowment.

We have in the files the first statement of the assets of the College. It is undated, but was prepared in 1847 by President Hitchcock and certified by him. It is entitled "Statement of the Funds, Buildings, Libraries, etc., of Amherst College" and may be summarized as follows:

" 1. Charity Fund	\$51,807
2. Williston Professorship	20,000
3. Hitchcock Professorship	20,000
4. Graves Professorship	20,000

5. Legislative grant of \$25,000 of which first installment of \$5,000 already paid; second installment anticipated to pay debts. Balance \$13,333 will endow Massachusetts Professorship.
6. Stimson Fund (3,333)
7. Sears Fund 12,700
8. About \$4,000 in funds not active, but subject to life estates
9. Real Estate:
 1. Parsons House 2,000
 2. President's House 5,000
 3. Chapel 10,000
 4. 3 Dormitories 24,000
 5. New cabinet and observatory 8,000
10. Philosophical and chemical apparatus
11. Library 15,000 volumes
12. Number of students 150 "

We are not accustomed to seeing students listed as an asset in a financial statement, but Hitchcock was a realist and knew that their fees helped to pay the costs of operating the College.

Three men made large gifts to the College's endowment at this time: David Sears of Boston, Samuel Williston of Easthampton, and Samuel A. Hitchcock of Brimfield. Each was a wealthy man according to the standards of the day; each made generous subsequent gifts to Amherst; and Williston served as trustee of the College for a third of a century.

David Sears (1787-1871) was one of the richest men of his day in Boston. His father had come up to Boston from Cape Cod and made a fortune in trade with the East Indies and China. David graduated from Harvard, and before he was thirty inherited his father's estate of some eight hundred thousand dollars, which was said to be the largest amount ever inherited in New England by a single individual. His property was increased by his marriage to the daughter of Jonathan Mason. He built himself one of the finest houses on Beacon Street, overlooking Boston Common, a house now occupied by the Somerset Club, and lived as a young

man of fashion. As he grew older, he made generous gifts to religious and educational causes, developed what is now the section of Longwood, lived the life of a courtly gentleman, and served for a time on the Board of Overseers of Harvard. He never visited Amherst, although often invited. His interest in the College was enlisted by the self-denial and sacrifice of the faculty at the time when they were struggling desperately, with Hitchcock, to save the College.

His first gift established the Sears Fund of Literature and Benevolence, the first permanent fund for general purposes given to the College. It comprised a piece of land at the corner of Leverett and Barton Streets, Boston, valued at \$5,000 and subject to a lease running till 1928. At the same time, Mr. Sears gave the College \$5,000 in cash. The deed of gift, which is long and complicated, provided that one-half the income should be added each year to the principal, "provided that the donor or his representatives do not exercise the right of demanding this half which is reserved to them."

In 1847 Mr. Sears deeded to the College another piece of Boston real estate, on Brattle Street. This was subject to a lease running to 1919; the rent was "fourteen ounces, eight pennyweight and eighteen grains of pure gold; or two hundred and sixteen ounces and two grains of pure silver in coins of the United States of America, on the premises to be delivered, in four equal and quarter yearly payments."

In 1872 the annual income of the fund was some \$2,300, and the accumulated cash capital just under \$25,000. The Leverett Street property was sold by the College in the 1920's for \$2,997, and the Brattle Street property has recently (1946) been sold for \$9,000. In 1948 the Sears Fund as a whole amounted to about \$260,000. Sears later gave the College a mystery box, not to be opened until 1950, which now rests in the vaults of the treasurer's office.

David Sears died in 1871, nearly thirty years after his gifts to the College. During his lifetime he never made demand on the College for one-half the income. But in 1872 his eldest son, David, Junior, made such a demand, which he renewed the following year. The demand was referred to the

Finance Committee of the Board, and President Stearns called on young Mr. Sears and so did Alpheus Hardy, a distinguished trustee. Hardy was, in fact, managing the Sears family trusts. Hardy, speaking for the Board, refused the demand of young Sears and asserted the right of the College to the entire income. In a few months the junior Sears himself died. No further demand was made by the Sears heirs and the matter was dropped.

More than a third of a century passed and all of the men who were involved in the negotiations of the 1870's had been gathered to their fathers. In 1909 the trustees of the Sears real estate trusts advised the College that they intended to make a demand, and the College retained counsel. The College was represented by Arthur H. Wellman of the class of 1878. Wellman took an opinion from John Chipman Gray, then and for many years one of the most learned professors at the Harvard Law School and senior member of the firm of Ropes, Gray, Boyden and Perkins of Boston. Gray was reputed to know more about the rule against perpetuities than any other lawyer in the United States or England, and his acquaintance with the intricacies of the ancient law of property was legendary in the Law School. Gray charged the College two hundred and fifty dollars for his opinion, a copy of which I have secured and placed in the official archives. To assist him in the formal presentation of the College's case, Wellman retained C. M. Rogerson, a leader of the Boston bar. In 1911 suit was brought against the College by the Sears trustees in the Supreme Judicial Court of Massachusetts, and the matter was referred by the court to Roland W. Boyden as Master. Boyden was a partner of Gray and a lawyer of great ability and integrity. Years later Charles B. Rugg, now a trustee of the College, joined Boyden's firm at Boyden's invitation. Unfortunately, Boyden as Master ruled against the College, and the College filed exceptions to his report. The dispute involved accumulated income of something like seventy thousand dollars, as well as the determination of the right to future income. In 1918 the Supreme Court handed down its decision in favor of the College. The

opinion was written by Judge Crosby and concurred in by his colleagues. Chief Justice Rugg, '83, who had recently become a trustee of the College, took no part in the decision.

The case involved a number of highly technical questions of law which we need not go into. In effect, the Court held that the rights of the Sears interests were barred by the Statute of Limitations and by laches, so far as the Brattle Street property was concerned, and that no question would arise in regard to the Leverett Street property until the expiration of the ground lease in 1928. Judge Crosby's opinion makes it clear that in the judgment of the court the Sears interests had a clear right to one-half the income on demand in 1872 and 1873, but that as they dropped the matter for a third of a century, their rights were extinguished. The curious reader will find the case reported in 229 Massachusetts Reports at page 374, *Amory vs. The Trustees of Amherst College*.

Samuel Williston (1795-1874) was the antithesis of David Sears. Born in Easthampton, the son and grandson of Congregational ministers, he early went to work on a farm to supplement the family income, as his father's salary never exceeded three hundred dollars a year. He often said in later life, when his own gifts to the College had exceeded \$150,000, that as a youth he felt his father was excessively charitable in giving a few dollars to aid the College out of the meager savings from his small salary. Samuel began to work on a farm when he was ten and continued till he was sixteen, when his wages amounted to seven dollars a month. At sixteen his schooling ceased altogether, but at nineteen he walked most of the way from Easthampton to Andover, carrying all he had in a single bundle, to seek admission to Phillips Academy as a scholarship boy. He won a scholarship, but his eyesight failed him almost at once, and he was forced to resign. As a clerk in West Springfield and later in New York, he was unsuccessful because of eyesight and poor health, and he returned to Easthampton to become a farmer. In 1826 his wife commenced the business of making cloth-covered buttons at home, and gradually extended the work to her neighbors. As the demand grew, Williston transferred

the household business to a factory basis, and with the help of machinery designed by his brother-in-law, Joel Hayden, made a large fortune. The total amount of his benefactions was over two million dollars. Most of it went to the foundation and support of Williston Seminary in Easthampton. In 1841 he was elected a trustee of Amherst by the Massachusetts legislature, and he served continuously as a member of the Board for thirty-three years. Tyler says of him, "Amherst is his foster child; she owes him her preservation, her very life."

Joel Hayden, the brother-in-law, is famous in Amherst history as the donor of Sabrina. Originally placed in the Hayden garden in Haydenville, Sabrina caused such criticism because of her lack of draperies that Hayden solved the problem by presenting her to the College.

The third large donor at this time was Samuel Austin Hitchcock (1794-1873) of Brimfield, Massachusetts. His parents' circumstances were such that he had only a district school education, although he would have given a good deal for a single term in Monson Academy, to which many Brimfield boys went. He engaged in manufacturing in Southbridge, Massachusetts, and then became a merchant in Boston. He retired early to Brimfield, watched his investments, and made large gifts to education, primarily permanent funds for scholarships. His gifts to Andover Theological Seminary had a nominal value of some \$120,000 and to Amherst a nominal value of \$175,000. His final gift to Amherst, made a few months before his death and when he was seventy-eight years old, consisted of railroad bonds of a par value of \$100,000, to found the Hitchcock Fund for Scholarships and Kindred Purposes. The gift was made at the time of the semi-centennial celebration at the College, and was said by Tyler at the time to be "the largest sum that ever came at once into the treasury of Amherst College." Such a gift must have been received with great enthusiasm by the college body, and old Mr. Hitchcock must have been deeply affected by the response his gift evoked. Before the Trustees could send appropriate acknowledgment through the president, Hitch-

cock had died. The *Amherst Student*, in reporting his death, added that he left an estate of three million dollars. It is too bad that we cannot leave the matter there, but financial facts are stubborn. We shall see later that most of Mr. Hitchcock's gifts to this College were in securities of doubtful value, on most of which the College was unable to realize.

We must return now to 1847 when the first gifts from Sears, Williston, and Hitchcock, and the subvention from the Commonwealth gave the College four endowed professorships and a Literary and Benevolent Fund, and when the debts of the College were finally extinguished. The College now had an endowment fund of about \$100,000 in the hands of the treasurer, as well as the Charity Fund in the hands of the Commissioner, which had by this time mounted to \$52,207. Total resources of \$152,000 in addition to its plant, and no debts! More important, the budget was in balance, and Hitchcock kept it in balance. The treasurer was authorized under a recent vote of the Prudential Committee to loan on good security the money in his hands. This was the normal form of investment at the time in Amherst. The Commissioner of the Charity Fund was making similar investments. There was no savings bank; in fact there was no bank at all in the town. The college treasurer would have no difficulty in finding borrowers who could give adequate security by mortgage. Furthermore, he did not have so much to invest as the figures given above indicate. The Sears gift included only \$5,000 in cash; Mr. Williston did not wish to take money out of his business and so followed the custom of the time by giving his notes and paying the interest until he was ready to liquidate the principal; and the College received at this time twenty shares of Hamilton Woolen Company at par in payment of a gift of Mr. Hitchcock.

One of the early investments made by Treasurer Dickinson is of special interest and has, I believe, been misinterpreted. It was a loan of \$10,000 to the Northampton Association of Education and Industry, made in 1846 and secured by a first mortgage on 305 acres of land in what is now the city of Florence, including buildings, mills, water power,

flumes, and "geering," all part of the property of the defunct Northampton Silk Manufacturing Company. In the previous decade silk culture and silk manufacture were developing rapidly in this country aided by encouragement from federal and subsidy from state governments. A group of capitalists embarked on an ambitious project in this field in Northampton. In two years, with the encouragement of the state bounty, the planting of mulberry trees increased severalfold. In 1838 the mulberry bubble burst, and the company was forced to suspend. Then in 1841 the property was acquired by the recently formed Northampton Association of Education and Industry, a transcendentalist community embodying many of the proposals of Fourier, the French "apostle of social harmony." The community resembled in many ways the ones established at about the same time at Brook Farm and at Hopedale. One of the leaders of the Northampton group was George W. Benson, a brother-in-law of William Lloyd Garrison. Annual conferences were held in which representatives of Brook Farm, Hopedale, and Northampton participated and exchanged reports on progress.

Differences of opinion developed among the members, some withdrew, the remainder found it impossible to secure adequate capital, and by the summer of 1846 the Association was in debt to the amount of \$40,000 and short of working capital. At this point the loan of \$10,000 was negotiated with Amherst College, secured by a first mortgage on a large part of the productive real estate of the Association. The signatures to the mortgage were witnessed by Edward Dickinson. That the security was adequate is indicated by the fact that the loan was paid with interest and the mortgage discharged of record on August 2, 1853.

At about the same time Benson, who had been president of the Association, bought from the Association for \$24,500 the property not mortgaged to Amherst. He formed a corporation in which he was joined either then or later by Samuel Williston and his brother and by Joel Hayden, and the mills were used for cotton manufacture. The Northampton Association of Education and Industry was dissolved, and

the community which had developed under the name of Bensonville changed its name to Florence and continued to grow as the century advanced.

For the story of this transcendentalist experiment in Northampton I am indebted to a monograph by Alice E. McBee, published in the *Smith College Studies in History*. The author is, however, in error in saying that Amherst College threw good money after bad, and in describing the security taken by the College as a third or fourth mortgage. The College made only one investment; this was made when the experiment was about to be wound up; it was secured by a first mortgage; and it was paid in full. And the implication that the investment was made to encourage an idealistic experiment in socialism is, I believe, entirely without foundation. Such a use of college funds would have been highly improper. That Samuel Williston was an active member of the Amherst Board, that he was one of the hardest-headed businessmen in Western Massachusetts, that his own mills were only a few miles away, seem to me conclusive evidence that this loan, made when the experiment was *in extremis*, was made solely on the basis of a sound investment with adequate collateral.

By 1847, when President Hitchcock established the College on a firm financial foundation, the Board had changed. Only one of the original members of the Board, Dr. Vaill, still remained. One by one the others had retired during the quarter century of the College's life, and their places had been taken by new men. Of these, several were to play a significant part in guiding the finances and business affairs of the College. They were men of larger affairs, men in touch with the expanding business of the country and participating in this expansion, and men in touch with the investment market in Boston where they were investing their own funds and those entrusted to them in the stocks of manufacturing corporations and railroads and banks. But, except for Governor Bullock, they were not Amherst graduates. Boston was becoming an important financial center; it was financing many of the railways, most of the textile manufacturing corpora-

tions; its bankers were dealing in government securities; and it was loaning money for the development of the West. For the next fifty years and more, the finances of the College were to be guided largely by Massachusetts trustees whose financial connections were with Boston rather than with New York. The first of these new trustees was Samuel Williston, of whom we have already spoken. The next was Henry Edwards, who was elected to the Board in 1844 and served continuously until 1884.

Henry Edwards (1798–1885) was born in Northampton and educated in the Northampton schools. He was of the same family as Jonathan Edwards. After an apprenticeship in Boston and New York stores, he opened an importing business in Boston. For five years he resided in Paris. On his return to Boston he held a number of offices, was an active merchant on Kilby Street, and was an indefatigable worker for Amherst. When elected to the Amherst Board he was a member of the firm of Edwards & Stoddard, and was reputed to be worth \$100,000. He had recently inherited substantial property by the death of his father-in-law, Samuel Dorr. He is described by a contemporary in 1846 as “a man of activity, promptness, and business talent, and a pillar of the Orthodox church.” While Williston, who lived close to the College, served often on building committees of the Board, selected contractors, and watched over the progress of work under construction, Edwards was watching the College’s investments. Edwards’ town house was at 34 Commonwealth Avenue, Boston, and his summer home in the Berkshires; on his way back and forth he would stop off at Amherst to confer on investment policy with the college treasurer.

In 1852 Alexander Hamilton Bullock was elected to the Board, and in 1855, Alpheus Hardy. They both were to play an active part in the management of the College’s finances. Bullock (1816–1882) was the fourth alumnus of the College to be elected to the Board. Born in Royalston and graduating from Amherst in 1837, he spent his life in Worcester in the practice of the law. He was successively state representative, state senator, judge, mayor of Worcester, and governor

of the Commonwealth. He received the degree of Doctor of Laws both from Amherst and from Harvard and was a trustee of Amherst for thirty years. For most of that time he was an active member of the Finance Committee. His portrait hangs in Converse Memorial Library.

Alpheus Hardy (1815-1887) was elected to the Board in 1855 and served for twenty-two years. A close personal friend of President Stearns, he was elected to the Board at the first meeting after Stearns took office. Born in Chatham, Massachusetts, he studied for a short time at Phillips Academy, Andover, but was forced to resign because of sickness. At nineteen he went into business for himself in Boston, and developed a large and prosperous shipping and importing business. In addition, he was entrusted with the care and administration of ten large estates, including the Sears estate, and was an active member of the Boards of Andover Seminary, Phillips Academy, and the American Board of Commissioners for Foreign Missions. Throughout his service on the Amherst Board, he was one of the most valued members of the Finance Committee. His Boston home was at 35 Brimmer Street and his offices at 181 State Street.

He gave the fund for the Hardy Prize in Public Speaking, and made other gifts to the College. One of his generous impulses was to have a profound effect in the Orient. One of his sailing ships trading in the Far East brought to this country a young Japanese of good family who had left his country when it was a capital offense for a Japanese to emigrate. After talking with the young man, he sent him to Phillips Academy at Andover, and then to Amherst College. Joseph Hardy Neesima graduated from the College in 1870 and from Andover Theological Seminary four years later. He later founded and was the head of Doshisha University in Kyoto, Japan, and received Amherst's highest honorary degree in 1889. Mr. Hardy resigned from the Amherst Board in 1871 and again in 1873, but was persuaded by his colleagues to withdraw his resignation on both occasions. In 1877 he resigned again and finally. He died as the result of an accident in 1887.

Edward Dickinson had been treasurer less than a decade when the western part of the state became excited by the prospect of railroad transportation. In 1842 a charter was granted to the Northampton & Springfield Railroad Corporation, for the purpose of building a road "commencing at a point within one mile of the Court House (Northampton), crossing the Connecticut River near Mt. Holyoke" and proceeding south to Springfield. The inhabitants of the towns on the east side of the river then called a convention at Sweetser's Hall in Amherst, as a result of which efforts were made to secure a charter for the Hampshire & Franklin Railroad to connect with the Northampton & Springfield at Hockanum and to run north to Millers Falls. The charter was secured in 1845 and Luke Sweetser, the leading merchant in Amherst, was one of the incorporators. Sweetser, we have seen, was a member of the Prudential Committee of the Board from 1833 till 1864, secretary of the committee during his entire term, and "was more than any other member, the agent and executive of the committee." When the town of Amherst learned that the plans for the Northampton & Springfield Railroad had been changed and that the road was to be built on the west side of the river to Holyoke, great indignation was aroused, and the men behind the Hampshire & Franklin Railroad went to the legislature and secured in 1846 a charter for the Mt. Holyoke Railroad Company to run from Hockanum south to Willimansett and there join the Northampton & Springfield Railroad. Sweetser was again one of the active participants in this venture. Another meeting was held in Sweetser's Hall in Amherst, and called to order by Edward Dickinson. Professor Snell of Amherst addressed the meeting, reporting on the practical route for constructing a railroad around the western end of Mt. Holyoke and illustrating his talk with drawings. Subscription books were opened and in six weeks the citizens of Amherst had subscribed for \$90,000 of the stock. The Northampton & Springfield Railroad was opened for travel on December 13, 1845. In 1846 the Hampshire & Franklin Railroad and the Mt. Holyoke Railroad, neither of which had raised enough

money to start construction, decided to unite. John Leland, former treasurer of the College, and Luke Sweetser were elected directors and surveys were begun. In spite of heroic efforts to raise the necessary funds, the leaders of the project were forced to surrender their charter.

Amherst began again, and in 1848 some of its citizens secured a charter for the Amherst Branch Railroad Company to run from a point in Amherst within half a mile of the College to the tracks of the railroad in Northampton. Subscription books were opened and Amherst citizens subscribed for \$31,000 of the stock. Edward Dickinson brought the matter to the attention of the Board of Trustees of the College in his treasurer's report in 1848. The Board referred the matter to a committee composed of Trustees Tappan, Calhoun, and Armstrong. The committee recommended that the College subscribe \$15,000 "on condition that it (the Amherst Branch Railroad) be adopted by the Connecticut River Railroad (a combination of the Northampton & Springfield and the Greenfield & Northampton) and made a part of same: provided the Prudential Committee can find means to pay the assessments to that amount." The Board at its annual meeting on August 8, 1848 accepted the report and adopted its recommendation. This project too was abandoned, because the necessary funds could not be raised. The Hampshire & Franklin Express announced that the road would cost \$160,000 and that not more than \$40,000 was subscribed. And at the next annual meeting of the Board of the College (August 7, 1849) the trustees rescinded their vote on the ground that the conditions had not been met.

That there was a sharp division of opinion in the Amherst Board is indicated by the next minute at this meeting. The Board's committee reported that it "regards the investment of the funds of the College in *New Railroad* projects as a subject of great delicacy & one requiring the utmost care." "Although Railroad projects," the committee continued, "are well worthy the attention of business men, yet we think a very strong case should be made out, to render proper the investment of the funds of our literary and benevolent insti-

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tutions in new projects of this kind. We do not mean to be understood as expressing any opinion upon the investment of funds in old and well established Railroad corporations." The old and well established railroad corporations were of course still in their infancy; the Boston & Worcester had been open only fourteen years and the Boston & Albany was still nearly a score of years in the future.

The town of Amherst still had no railroad when in 1850 a railway was opened from New London to Palmer. In 1851 Edward Hitchcock, Edward Dickinson, and Luke Sweetser were among the incorporators of the Amherst & Belchertown Railroad. Hitchcock was president of the College and Dickinson was treasurer. The charter empowered the corporation to build from Palmer through Amherst to Montague. At the annual meeting of the College trustees on August 11, 1851 the Board authorized the Prudential Committee to invest \$5,000 of college funds in the stock of the Amherst & Belchertown Railroad. In spite of the caution urged by the more conservative members of the Board, the combination of the president, the treasurer, and the secretary of the Prudential Committee carried the day. In February of the following year, at a meeting in Sweetser's Hall, it was announced that funds had been raised to build the section from Palmer to Amherst. Ground was broken at once, and on May 14, 1853 the first passenger train was run over the line. The locomotive was named *Amherst*. The first paying passenger on the road is said to have been Edward P. Crowell, then a college senior and later one of the College's best loved professors.

Two years later, at the annual meeting of the Board on August 6, 1855, the committee appointed to review the report of the treasurer, made up of Trustees Calhoun and Alden, "regret to find so large a portion of the college funds is invested in Railroad stocks, and recommend that they be disposed of, as soon as it can be done, without too great a sacrifice, and invested in securities of a more reliable and permanent value." But there was doubtless no satisfactory market for the Amherst & Belchertown stock without heavy

sacrifice. In another two years the road was in grave financial trouble, and in January 1858 the road was sold and passed into possession of the bondholders. New stock was authorized.

At a special meeting of the Amherst Board of Trustees held in Boston on July 23, 1858, the Board appointed a committee made up of Trustees Hardy, Williston, and Judge Perkins to confer with the directors of the railroad at the request of the directors. And at an adjourned meeting, upon hearing the report of the committee, the Amherst trustees voted to authorize the treasurer to invest \$3,500 in the new stock of the Amherst & Belchertown. Three years later the Amherst Board directed the treasurer to charge off as a loss the fifty shares of old stock belonging to the Professorship of Rhetoric and Oratory, and "whenever the funds of the College permit," the treasurer was to restore the fund to its original amount. In 1864 the Amherst & Belchertown was absorbed by the New London Northern on the basis of two shares of New London Northern for three shares of Amherst & Belchertown. And at the annual meeting of the Amherst Board on July 10, 1865, the treasurer was authorized to purchase three thousand dollars of the bonds of the New London Northern, "or if the Prudential Committee thinks best five thousand dollars."

The College seems to have bought \$5,000 of new stock and \$3,000 of the bonds. The bonds carried interest at 6% and were paid at maturity in 1885. The College received \$3,200 par value of stock in the New London Northern which it held until 1912, when it was sold for \$6,640. The College had invested some \$13,000 in the project, for which it ultimately recovered \$9,640. It had been fortunate. For as we look back today, with the advantage of hindsight, we realize that the conservative wing of the Board was wise in believing that these new railway projects were businessmen's investments rather than proper investment channels for trust funds.

The railway today is in active operation as a part of the Central Vermont, which in turn is controlled by the Canadian National Railroad. Its passenger service from Amherst

is limited, but every night its heavy freights rumble through the town hauling its cars from its Canadian connections to tidewater at New London. And the coal supply of the College comes north over the line to the college sidetrack.

In 1854 Hitchcock was succeeded by Stearns in the presidency. The minutes of the Board for the August 1854 meeting contain the following interesting paragraph. The Treasurer's Report and the Charity Fund Report were referred to a committee consisting of Dr. Alden and Mr. Edwards. The committee on the following morning asked that the two reports be approved, and then added that "in view of the great increase of labor in the Treasurer's department, they recommend that his salary be fixed hereafter at Six Hundred dollars, and that his salary for the past year be made up to the same sum.

"The committee further recommend the annual appointment of a Financial Committee whose duty it shall be to advise the Treasurer in making investments, and annually to examine all securities representing the funds of the College in the care of the Trustees, and make, in concurrence with the Treasurer such changes in the investments as the safety of the funds and the interests of the College may require — and report their doings annually to the Trustees."

The Board approved, and elected a Financial Committee consisting of Mr. Child, Mr. Williston, and Mr. Edwards.

Mr. Williston and Mr. Edwards we already know. Linus Child (1802–1870) was a member of the Board from 1844 to 1856. Born in Woodstock, Connecticut, a graduate of Yale in the Class of 1824, he was a practicing lawyer in Southbridge, Massachusetts, from 1827 to 1845. He then moved to Lowell, where he was in charge of the Boott Manufacturing Company for seventeen years. He then resumed the practice of his profession in Boston. He was a trustee of Phillips Academy at Andover, of Andover Theological School, of the American Board of Commissioners for Foreign Missions. He was a wise counselor, in whom President Stearns placed great reliance.

In 1855 the College acquired its first substantial invest-

ment in New England textile stocks. The first modern cotton mill in this country had been built in Waltham in 1814. During the following half century cotton mills and woolen mills sprang up in New England along the banks of our principal rivers, and particularly along the banks of the Merrimac River. In Lowell and Lawrence and Nashua and Manchester new mills were built, and cotton manufacturing had become by 1860 the leading industry in the country. It was in the New England textile industry that the corporate form of organization was first generally employed. On the death of Samuel Appleton of Boston, his trustees offered the College \$10,000 for the construction of Appleton Cabinet, and paid this gift by a check for \$200 and the transfer to the College of stocks in eight New England textile corporations which had been "apprised" a few months before at \$10,000. The list included Amoskeag, Appleton, Merrimac, Stark, Hamilton, Suffolk, Massachusetts, and Manchester Print Works. In most cases the College received only a single share, but the shares had a par of \$1,000. Amoskeag, for example, was taken at \$1,120 per share and Merrimac at \$1,300 per share. The Board authorized Trustees Bullock and Child to receive the stock in behalf of the College. And the Board also seems to have decided to hold the securities and sell other assets to pay the construction costs of the new building. Even in 1858, three years later, the Board voted to defer the sale of manufacturing stocks, and instructed the treasurer to consult with Trustee Hardy as to the proper time for selling. Other gifts and legacies came to the College in New England textile stocks; the legacy of Dr. Walker, ten years later, included stock in twelve such companies. And for more than fifty years the College continued to have a substantial investment position in this field.

Samuel Appleton, a New Hampshire farm boy, had first worked as a laborer in Maine. Later he moved to Boston, entered the dry goods business, became an importer, and later a manufacturer. He accumulated a fortune estimated at a million dollars, and, having no children, he was said to give away more money each year than any other man in Boston.

After ten years of unbroken prosperity, during which railroad construction had continued at a high rate, particularly in the West, our economy suffered a sharp contraction, which is known as the Crisis of 1857. The initial incident was the failure of the Ohio Life & Trust Company, with liabilities of about seven million dollars. Its credit had been very high and it had borrowed heavily in the New York market. The loss of the steamship *Central America* with over a million of gold enhanced the stringency. There were many failures, and in September the banks of Philadelphia, Baltimore, and Washington suspended. Stocks fell over forty per cent and within a fortnight twenty thousand people were thrown out of work in New York City alone. By October, the New York banks (with one exception) suspended, followed in a few days by the Boston banks. The crisis was brief, liquidation was rapid, and by spring 1858 money was easy and business was resuming.

The first half of the century had seen the westward expansion of the country, the development of railroad and steamboat transportation, the growth of textile manufacturing in New England, the increasing use of the corporate form of organization for the expanding business of the country, and the rise of the Stock Exchanges. The first association which preceded the Stock Exchange had been formed in 1792. During the half century the markets in New York and Boston and Philadelphia had developed. In the 1850's the securities traded in on the New York market were first railroads, then governments, then banks, insurance companies, gas and coal companies. In Boston, the New England textile stocks formed the most important security traded in, to be followed later by copper mining companies. The first half of the century also witnessed an amazing growth in education at the college level. In 1800 it is estimated there were some twenty-four colleges in the country, with a total student enrollment of between one and two thousand. By 1860 the number of colleges had risen to two hundred and fifty.

In the last days of 1861 the banks suspended again. This suspension was not necessary, but was taken mistakenly as a

preparation for war. The panic of 1861 was sharp and short, and by the autumn of 1862 it was over.

The war resulted in changes in the investment policy of the College. The College bought substantial blocks of United States government bonds paying six per cent interest, and in January 1863 the Board authorized Alpheus Hardy to collect the interest regularly on its governments. At the same time the Finance Committee recommended that the treasurer make no more individual loans; that he collect those outstanding; and that he invest thereafter in "such stocks as the treasurer thinks best." The vote of the Board, however, specifically excepted small loans secured by endorsement made to those connected with the College.

In 1866 the Board revised this action which had left with the treasurer the discretion as to the stocks he should buy. It now provided that no investments should be bought or sold without the approval of the Finance Committee. In addition, it voted to instruct the treasurer to register all government bonds. It defined the treasurer's duties to include "all exterior secular duties and business of the College." And in 1872 the Board directed that all funds except registered bonds be deposited in safe deposit vaults in Boston, and that no person should have access to the college vault except the treasurer and Henry Edwards of the Board.

We have seen that in 1847, at the end of its first quarter century, the College was free from debt and had total resources of approximately \$150,000 in addition to its plant. Between 1847 and 1872, when the College celebrated its semicentennial, it received some thirty-three permanent funds, having a total value of some four hundred thousand dollars, in addition to gifts for buildings and for current expenses. These funds are listed in the order of their establishment in the Report of the Finance Committee of 1923. They include the Moore Beneficiary Fund of \$9,000, the Walker Instructorship of \$10,000, the Walker Professorship of \$26,476, the Samuel Green Professorship of \$30,000, the Stimson Fund of \$19,900, the Williston Contingent Fund of \$76,024. Each of these funds deserves comment.

Dwight Morrow used to say that the Moore Beneficiary Fund was, in his judgment, the most sacred fund possessed by the College. It was established in 1858 by bequest of President Zephaniah Swift Moore, the first president of the College. President Moore served the College from 1821 until his death in 1823 at a salary of \$1,200 a year. He left his widow \$4,000, with the right to use both income and principal as she needed. Mrs. Moore used none of the principal and only a part of the income, so that at her death, some thirty-five years later, the fund amounted to \$9,000. Of the income, one-third is to be added to the principal annually. The remainder is to be used in aiding ministerial students, who may be selected and shall be approved by the Brookfield Association of Ministers, to which Association a report of the fund shall be sent each year. The original amount of \$9,000 had increased by annual increment to \$33,077 on June 30, 1948.

The Walker Instructorship in Mathematics and the Walker Professorship of Mathematics and Astronomy were established in 1861 and 1862 by Dr. William J. Walker of Boston by gifts of \$10,000 for the former and \$26,476 for the latter. And the Walker Legacy of \$151,020 came to the College in 1866 by bequest of Dr. Walker for the promotion, study, and advancement of mathematical sciences and for the critical study of the Latin language. The Walker Prize Fund of \$6,000 was a gift of Dr. Walker in 1863 to provide prizes in the Department of Mathematics. These gifts of nearly \$200,000 were in addition to Dr. Walker's gifts for Walker Hall.

Dr. William J. Walker of Charlestown was one of the colorful donors to the College, as well as one of the most generous and one of the most difficult. After his graduation from Harvard in 1810, he studied medicine both in this country and in France, and then returned to Boston to practice his profession for some thirty years. By the judicious investment of his savings he made a substantial fortune. He was impatient, imperious, and large-hearted. It took a gentle, patient, and understanding president to negotiate with the doctor,

and President Stearns had all of these qualities. Walker had intended to devote his fortune to his alma mater, Harvard, but Harvard objected to some of the numerous restrictions he insisted on imposing, and Walker turned elsewhere. In 1861 President Stearns received a letter from him proposing a gift to endow a professorship of mathematics and astronomy. Either just before this letter, or just after it, President Stearns made his first call on Dr. Walker. The doctor received him in his well-furnished study in his Boston home; but the doctor was completely without clothes except for a pair of slippers. The doctor was practicing nudism at home for his health. President Stearns was so taken aback that he almost forgot what he had come to talk with the doctor about. Fortunately, he recovered himself and went on with the conversation without comment on the unconventionality of his rich host. Later in their acquaintance Stearns tried to raise the question of the doctor's religious views, which were reported to be unorthodox, only to be cut off with the statement by the doctor, "I am an Ishmaelite."

In 1865 Dr. Walker died, leaving a will naming Amherst one of four residuary legatees with the Natural History Society, Tufts College, and Massachusetts Institute of Technology. The will was contested by the heirs, and the Amherst Board appointed a committee made up of President Stearns, Alpheus Hardy, and Henry Edwards to make settlement. As finally adjusted, the heirs received some \$300,000 from the estate, leaving something over \$600,000 to be divided among the four institutions. For many years Professor William Cole Esty, the first Walker Professor of Mathematics and Astronomy of the Amherst faculty, used to tell the story of the good president's first call on the generous doctor.

The Samuel Green Professorship of Biblical History and Interpretation and of the Pastoral Care was established in 1867 by a donor who desired to remain anonymous during his lifetime. He was John Tappan. Born in Northampton, he went to Boston and made his fortune in the wholesale importing business. He became a partner at twenty-two, and twenty-two years later retired from business. On a return

voyage from England in 1805, the vessel on which he was traveling struck an iceberg and sank, with the loss of twenty-seven persons. Tappan, after three days' exposure in an open lifeboat with the remainder of the passengers and crew, was picked up by a westbound ship and saved. This experience made a radical change in his religious life. He left the Unitarian Church of Dr. Channing, and became one of the founders of the Union Church in Essex Street, of which the Reverend Samuel Green became pastor. Tappan became interested in Amherst because of his interest in temperance. In 1829 Tappan offered a prize for the best essay on "Narcotic and Alcohol Substances," and the prize was won by Professor Hitchcock of Amherst, later President Hitchcock. Tappan was a trustee of the College from 1834 to 1854. A contemporary chronicler describing the four Tappan brothers remarks, "These Tappans are a remarkable family. They came from Connecticut River. Benjamin Tappan, late United States Senator from Ohio, seems to differ from the rest of the family, in being a radical and not much of a believer in religion; while all the other brothers are very conservative and very pious. John Tappan is the only one who has succeeded in keeping his property."

Tappan's gift to establish the chair was \$30,000. The use of the fund was very minutely specified in the deed of gift and many conditions were imposed. In 1877 Tappan's heirs demanded a return of the gift on the ground that the College had violated the terms by leaving the chair vacant for twelve months. Suit was brought against the College, and the matter was referred to Henry Hyde, the Boston trustee. In 1879 the treasurer reported to the Board that the suit had been withdrawn on an agreement made by Hyde in behalf of the College that the College would pay the bill of the plaintiff's counsel. The chair had meanwhile been filled by the appointment of Dr. Thomas P. Field of the class of 1834, father of Judge Harry Field, '80. In 1905 the Supreme Judicial Court of Massachusetts issued a decree on petition filed by the College that "the Trustees of Amherst College shall for the present use the income of said fund for the purpose of paying for

preaching before the students of said college, the preachers to be chosen from clergymen who are not professors of said college." From 1905 to 1946 the income was used to pay the stipends of the visiting clergymen who preached on Sunday in the college church.

The Stimson Fund came as a bequest from Caleb Stimson of Boston. Little is known of him and we do not know how his interest in Amherst was aroused. He died during the Humphrey administration, but the fund did not come into possession of the College until 1852, after the death of a brother and nephew who had life interests. It amounted to \$16,000, and the income is restricted to aid in the education of indigent, pious young men for the ministry.

The Williston Contingent Fund was established in 1871 by a gift of Mr. Williston of \$50,000, and the use of the income was unrestricted. This fund we must discuss somewhat later.

By 1872 the College's endowment had risen to nearly six hundred thousand dollars, an increase of nearly fourfold in the quarter century. And its total assets, including campus, buildings, books, and collections, were estimated by Treasurer Dickinson to be over a million dollars. The treasurer made a statement in summary form for Professor Tyler, who wrote the semicentennial history of Amherst, as follows:

Funds whose income is available for the payment of salaries and other current expenses	\$250,000
Scholarships	50,000
Hitchcock donation for scholarships and kindred purposes	100,000
Library	43,000
Bonds of State of Virginia, unavailable at present	40,000
Miscellaneous specific appropriations	40,000
Charity Fund	72,000
	<u>595,000</u>
Estimated income of funds for general purposes	22,000
Estimated income of Students' College bills	28,000
	<u>50,000</u>
Estimated expenses, salaries, etc.	54,000
Estimated deficiency for current year	<u>4,000</u>

The following year Edward Dickinson retired as treasurer of the College at the age of seventy. He had witnessed, and been an active participant in, the early struggles of the College as it sank lower and lower into debt; and he had handled the finances of the College for a quarter century after it freed itself from debt. He now had the added satisfaction of seeing his son, Austin Dickinson, succeed him in the office of treasurer. It had been a long, uphill struggle from the days when his father and Colonel Graves conceived the idea of a college at Amherst. Now the third generation of the Dickinson family entered the service of Amherst College. A year after his retirement, Edward Dickinson died in Boston.

Edward Dickinson had been a good treasurer, but he was not a good accountant. I have come across a memorandum in our files written by an old man in North Amherst in 1931 which throws some light on the bookkeeping of the College in Edward Dickinson's day. "When Edward Dickinson, Esq., died, he was succeeded by Mr. Wm. Austin Dickinson. The latter when he assumed the treasurership, found the College Books in a badly mixed up condition. The books were in a diary like style and bonds and so on were stuffed here and there in envelopes. Mr. W. A. D. got my brother Wm. to undo the tangle and start things, in a ship shape double entry way — and Wm. did so — took all his odd and spare time for most or all of a year. When brother got through, Mr. Hobbs from the Savings Bank became the Bookkeeper. When Wm. finished the job a Boston Public Accountant — expert — was engaged to review the work and report to the Trustees. After this 60 year Mr. Piper (accountant) had worked an hour on the accounts he remarked to Mr. Dickinson, 'The man who started this set of books for you *knew his business*,' — and an hour later, remarked: 'The man who started these books was an old Betty — more particular than necessary.'" Public accountant Piper's comments shed a light on his own standards of bookkeeping, for they are not satisfactory according to present practice.

Chapter Five

AUSTIN DICKINSON, Treasurer 1873–1895

William Austin Dickinson was born in Amherst in 1829, prepared for college at Amherst Academy and Williston Seminary, graduated from the College in the class of 1850 and from the Harvard Law School in 1854; and he practiced law in Amherst from 1854 till his death in 1895. He served as treasurer of the College for twenty-two years, from 1873 until his death. As treasurer, he handled the college finances, directed the work on the buildings and grounds of the College, superintended all new construction, planted the college grove, set out the trees on the town common. Fuess describes him as “high-strung, lavish, born to lead,” and adds that he “had about him a picturesque quality, as he appeared in his light-colored driving coat, his yellow, wide-brimmed planter’s hat, and his orange-wood cane.” His wife, “Sister Sue,” made their home on Main Street one of the social centers of the town, where distinguished visitors were entertained, receptions given, and where there was always good conversation. Next door lived Austin’s sister Emily, who had withdrawn from the world and who lived her own life behind the high hemlock hedge. Amherst had changed since the days of President Humphrey.

Austin Dickinson’s friendship with Mrs. Mabel Loomis Todd, wife of Professor Todd, who brought out the first volumes of Emily Dickinson’s poems, his gift to her of a house lot in Amherst, the lawsuit which resulted, and the feud which divided the town for a generation are no part of this story. Austin’s mother was a Norcross, and so connected by marriage with my forebears. My grandmother was a frequent
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house guest of his sister Lavinia and knew all the Dickinsons; and so, as a youngster, I heard many Dickinson stories, which, fortunately, I promptly forgot. We are concerned here with Austin Dickinson, treasurer of the College.

Austin Dickinson succeeded his father as treasurer at a difficult time. In the eight years since the close of the war there had been a big influx of foreign capital, and railroad mileage in the United States had doubled. But the reckoning fell due in 1873. The panic began in September and culminated in the failure of the Philadelphia banking house of Jay Cooke & Co., which had become involved in the financing of the Northern Pacific Railroad. The New York Stock Exchange closed for ten days. The New York banks suspended cash payments. Prices fell, unemployment rose, failures were numerous. The money panic was soon over, but the depression which followed lasted four years. Manufacturing corporations in which the College had invested funds reduced their dividends, bonds defaulted their interest, and, on the other side of the account, students who had been paying their way were in need of scholarship help if they were to remain in college. In December 1873 the Amherst Board announced the election of Austin Dickinson as college treasurer.

By 1875 the situation of the College was so serious that the Board asked its Finance Committee — Messrs. Bullock, Hardy, and Edwards — to make a study of the finances of the College and to present a report with recommendations. The Board had defined the duties of its Finance Committee in a resolution two years earlier. It was “to advise and direct the treasurer in the administration of his office, making themselves acquainted with the financial condition and interests of the Treasury so thoroughly that the chances of loss, if not rendered impossible, shall be reduced to a minimum.”

The committee spent two days in Amherst, consulting with the president, the treasurer, and a number of the professors. It presented a formal report to the Board under date of October 27, 1875, prepared and signed by Alexander Bullock in behalf of the committee, and Governor Bullock had

the report printed in Worcester. The report deals first with the office of the new treasurer. "It is only just that they should say," reports the committee, "that the Treasurer has begun his official duties in a manner which commands their strong and cordial approval. He has opened a new set of books in which the accounts of the College are kept intelligible and perspicuous, and all his methods of conducting the business of his office appear to be well conceived and well administered."

"In the opinion of the Committee," the report continues, "it should henceforth be held by the Trustees to be one of the duties of the Treasurer, not merely to act the part of a recording accountant, but to act as well the part of an advisory officer over our finance. He must be permitted and he must be expected, not merely to audit and pay, but originate and suggest. . . . The position of the Treasurer is obviously delicate. He resides by the side of a large corps of Professors, whose several demands upon the treasury cannot always be in accord, whilst they are pressed upon him by them, each as paramount. Under the encouragement and support of the Trustees it should be his duty to listen to all of them with an impartial mind, and then he should submit his recommendations to this Board without fear, without favor and without reserve. But it must never be forgotten that he is not an officer of the Faculty nor responsible to them, but the officer of the corporation and responsible to the Trustees."

This of course is sound doctrine, and it apparently needed to be made explicit. The budget was out of hand; President Stearns, gentle and conciliatory, was seventy years old and had only a few months to live; someone had to trim the expenses of the College with a vigorous and impartial hand, and with the complete support of the trustees. Someone had to say, in effect, to the faculty that the College would spend for current expenses no more than it took in as income. This difficult and unpleasant job was assigned to the treasurer, doubtless out of consideration for the aging president who would normally have exercised the powers of his office to bring the budget into balance.

The report continues with a delightful paragraph on the faculty. "In his conferences with some of the members of the Faculty the chairman of this Committee has been freshly reminded, that each one of them is found ready to solicit appropriations for his own department, whilst he may not be so ready to concede the claims of other Professors and departments. This is not to be regretted; for in the fields of learning he is perhaps the ideal Professor whose sense of justice towards other departments is subordinated to his enthusiasm for his own. . . . If Plato and Bacon were professors together in the richest university of Christendom, each of them would seek to absorb its entire revenues. . . . Let then each Professor be encouraged to come for all he can get for his own field of study; . . . and when the Board shall have made their appropriations, in the exercise of their best intelligence, and according to the extent of resources at their command, — then it cannot be doubted that the heads of departments at Amherst will make it their duty and pleasure, without discontent and with the decorum of liberal scholars, to accept the results as justice." This too is sound doctrine. And I am happy to say that during my years in the president's office I received the utmost co-operation of the faculty of the College when I made up the budget each year. What the faculty wanted was an impartial arbitrator who knew the work of the College in detail but whose only allegiance was to the College as a whole. I never referred such matters to the Board or to a committee of the Board as many of my predecessors had done. They doubtless did it to place the responsibility on the ultimate authority which is exercised by the Board. I relieved the Board of what is in any event an onerous task, and I think the faculty were better satisfied and better served because I knew the College in detail better than the Board could, and I had no ties or allegiances to any particular department.

The Finance Committee presented a summary statement of the investments of the College as of August 1, 1875, which I must give in full.

Investments	College Funds Proper	Scholarships and Prizes	Totals
Real Estate (exclusive of that used for college purposes)			
Productive	\$ 34,700	\$ ×	\$ 34,700
Unproductive	×	×	×
U.S. Bonds	106,500	6,500	113,000
R.R. Bonds	61,895	118,000	179,895
City Bonds	14,000	12,000	26,000
State Bonds	6,000	29,000	35,000
R.R. Stock	45,500	2,900	48,400
Bank Stock	36,700	2,400	39,100
Mfg. and other Stocks	39,030	×	39,030
Notes Receivable	60,696	9,024	69,720
Wm. Reed's legacy (not yet available) 5,000			
	<u>\$405,021</u>	<u>\$179,824</u>	<u>\$584,845</u>
Amount of Charity Fund			<u>\$74,374</u>

“The financial condition of Amherst College at this moment,” says the Committee, “is not the most cheering, though it is by no means desperate.” At the beginning of the current financial year the College was in debt over twenty-eight thousand dollars. It had borrowed the money, not from the banks, but from its own funds, as follows:

From the Sears Fund	\$ 5,300
From the Stimson Fund	7,000
From the Charity Fund	5,000
From the Walker Legacy Fund	2,300
From the College Church	3,867
From Alfred Norcross	3,000
And for the excess of expense over income last year	2,238
	<u>\$28,705</u>

“No mention is made of the Bank notes given from time to time by the Treasurer to enable him to pay salaries with promptness, for these notes are provided for out of income and are not an enduring encumbrance.” The College was

borrowing from its own funds and was paying interest. The annual interest item was noted as \$2,150. Fortunately, we have available the report of the treasurer of the College for 1875. This gives the first complete list of the college investments now available, and is printed in full in the appendix. The description of the separate items is of course inadequate, and the amounts given are par values. We do not know the cost of the different securities.

The committee points out that the College holds some \$175,000 of securities which are paying no return, and that "the future of this entire group of investments is as uncertain, not to say unpromising, as the future of anything can be." The committee was correct in its judgment, and we are grateful to it for its direct and unqualified estimate. But the committee did not add the pertinent fact that all but \$10,000 of these securities of dubious value had been received by the College as gifts, and that the treasurer had been unable to liquidate them. It is difficult to trace the facts through the ancient books of account, but I have succeeded in doing so for most of the investments in question. Here is the story.

A total of \$30,500 of the securities came to the College from the estate of Dr. Walker. Many of these survived the depression and became sound investments later. But the 121 shares of the Vermont & Canada Railroad and the five shares of New England Glass did not. The Vermont & Canada Railroad was in constant litigation for six years with the Vermont Central, and paid no return whatever. In 1883 the College exchanged this stock for \$4,000 par value 5% bonds of the Consolidated Railroad of Vermont, guaranteed by the Vermont Central. And in another reorganization in 1899, these in turn were exchanged for a like amount of first mortgage bonds of the Central Vermont Railway Co. In 1911 the College sold its Central Vermont bonds at about 92, realizing some \$3,680 on Dr. Walker's gift of 121 shares of Vermont & Canada.

A total of \$133,000 of the securities in question came to the College as gifts from Samuel A. Hitchcock. This included \$33,000 par value of the bonds of the State of Virginia and

\$100,000 par value of the bonds of a small railroad in Vermont. First let us look at the Virginia bonds. In 1864 Hitchcock gave the College \$6,000 par value of these bonds which he valued at the time at \$3,000. But both he and the trustees must have known in the closing year of the war that the bonds of Virginia were of the most doubtful value. In 1869 Hitchcock gave the College \$27,000 more. His total gifts of Virginia bonds were in the neighborhood of \$50,000. After the war the question as to whether the state should repudiate payment became a political question in the Virginia legislature for some years. In 1876 Henry Edwards of the Finance Committee (he was now seventy-eight years old) made a trip to Richmond to exchange the bonds for some \$33,220 new bonds, and for a certificate of West Virginia of a face value of \$16,610. The latter had a market value of a little over six per cent and was sold by the College for \$1,017. In 1884 the new Virginia bonds were exchanged again for \$18,000 of a newer issue carrying a 3% coupon and maturing in 1932. Finally, in 1909, the College was able to realize substantially par for these bonds. The Finance Committee correspondence contains many letters at different periods in which the committee struggled with the problem. It is a long and involved story which reflects great credit on the perseverance and care which the Finance Committees of decade after decade for a third of a century exercised in order to realize as much as possible for the College.

Hitchcock's gift to the College in 1872, on the occasion of its semicentennial, enabled him to dispose of another doubtful investment in his own portfolio via the philanthropic route. The \$100,000 gift was in bonds of the Lamoille Valley Railroad, which ran from Joe's Pond in Vermont to Maquam Bay on the shore of Lake Champlain, a distance of well under fifty miles. The road was a subsidiary of the Portland & Ogdensburg Railroad running from Portland, Maine, through Crawford Notch in the White Mountains to Lake Champlain, and the ambitious people of Portland hoped to continue the road to Ogdensburg on the Great Lakes. In 1877 the road went into receivership, with two other small con-

necting roads. They were reorganized in 1880 as the St. Johnsbury and Lake Champlain Railroad, and the College was forced to exchange its bonds for stock in the new road. It received preferred stock of a par value of \$41,000 and common stock of a par value of \$59,000. The College never received any return either on the bonds or on the stock. The line was always second grade, but was so situated as to cause uneasiness to its neighboring lines. In the 1880's the Connecticut River Railroad bought a heavy interest in the line, and the College was able to unload some of its stock for \$500 in cash. Later the Connecticut River Railroad sold its interest to the Boston & Lowell, which was endeavoring to extend its sphere of influence to the Canadian border. The railroad, some forty-six miles long, is still in operation, and the Boston & Maine runs one mixed train a day over the line. Professor Lamprecht of the Amherst faculty has a summer home not far from the railway. But the Amherst Board as early as 1887 voted that at the discretion of the Finance Committee the investment be written off, and on March 31, 1890 it was marked "worthless." This of course ended the Hitchcock Endowment for Scholarships and Kindred Purposes.

The committee then recommends to the Board that it accept and approve the budget submitted by the treasurer in which the estimated income for the year is \$200 more than the estimated expenses, and it adds that "this is a critical margin on which to run so large an institution of learning, over a field covered by annual items amounting to \$60,000."

Paragraph Seven in the report is particularly interesting in its implications as to the affairs of the heirs of David Sears. The committee recommends "that a committee be appointed, consisting of Messrs. Morris and Gillett and the Treasurer, to consider the application of Mr. C. U. Cotting, for one-half of the income of the Sears cash capital and Brattle Street Fund. This is an application made, as is supposed, under the terms of the gift of the late David Sears, which require that, after his death, upon the demand made by his representatives, a certain portion of the income shall be annually paid to them by the College. There are voluminous

papers connected with the subject, and possible questions of interpretation spring out of them, which may be most fitly considered by gentlemen in the law."

The committee then considers the matter of student fees. It reports that the annual charge by the New England Colleges is: Dartmouth \$70, Tufts \$70, Brown \$82, Bowdoin \$85, Amherst \$90, Williams \$91 to \$95, Yale \$140, and Harvard \$150. It points out that in the past forty years the number of students at Amherst has increased 30%; the cost of instruction has increased 600%; and the charge for tuition has increased 300%. "This greatly disproportionate increase in the cost of instruction is a natural development," adds the committee, "a fruit of the broader, more exact, more varied, more profound and more stimulating methods and degrees of education in this later day. But it must be paid for." And the committee ends its report with a recommendation that tuition charges be raised from \$90 to \$100 a year.

Nearly three-quarters of a century has passed since Governor Bullock wrote this report of his committee. The College has survived the crises of 1873, 1893, 1907, and the great depression beginning in 1929; it has survived two world wars. It is stronger today in material resources than ever before in its history. But as one reads this able report, as one considers its analysis of the problems which then faced the College, one is impressed by the ability of the Finance Committee of 1875, by the clarity of its presentation of the essential facts, and by the courage and foresight with which it applied the necessary measures to protect the future of the College. The committee called on the Board "to stand inexorable in their determination to preserve the principal of the College, its capital unimpaired" and to be "deaf to gossip and solicitation." The Board stood firm in support of its committee.

The report indicates that the debt of the College was equal to about 5% of its endowment. The endowment was invested 60% in bonds, 20% in common stocks, 6% in real estate, and 12% in Notes Receivable. About 14% of the endowment had ceased to yield a return. The bonds of the United States,

however, were payable in gold, which was now at a substantial premium; as the coupons matured, the College could realize this premium by selling them in the open market.

The list of investments of 1875 contains nearly \$70,000 in Notes Receivable. The largest item is the note of Samuel Williston of \$40,000. Mr. Williston had recently given the College \$50,000 and had already paid off \$10,000. The next largest item is the note of the Trustees of the College for \$14,600, representing the money borrowed from various funds of which I have already spoken. The College holds the note of Julius and Clark Seelye for \$1,500 and the note of Julius Seelye for \$1,000. Julius Seelye was to become president of the College the following year, and Clark Seelye had recently been made president of Smith College, after serving for eight years on the Amherst faculty.

Treasurer Dickinson made long and careful reports to the Board each year, and while most of the original reports have been lost, we have copies of his first ten reports in Journal A. In 1875, for example, he reports that the average rate of return earned by the College on its bank stocks was 10.595% on par; on its railroad stocks (excluding the Vermont & Canada which paid nothing), the average return was 7.855%. In 1876 he reports that the Financier of the Charity Fund is charging the College 7% interest on the loan of \$5,000 and that he has tried to reduce it without success. In 1877 he calls the Board's attention to the fact that \$30,500 U.S. Governments held by the College have been called, and that he has reinvested in mortgage notes paying 8%, 8½%, and 10%. The railroad, bank, and manufacturing stocks held by the College have reduced their dividends: Boston & Albany from 10% to 8%, Fitchburg from 8% to 6%, New London Northern from 8% to 7%; Boston & Lowell is now paying nothing. And in the bank stocks held by the College, Easthampton has reduced dividend payments from 9% to 8%, Northampton from 10% to 8½%, Mechanics Bank of Worcester from 10% to 6%, Eagle of Boston from 7% to 4%, while the Randolph Bank is still paying its usual 12%. In 1878 the treasurer tells the Board that \$50,000 of college securities are paying nothing, while the

other \$360,000 are paying an average of 6% on par. The report of 1880 tells us that the only outside debt of the College is \$13,085, borrowed from the First National Bank of Amherst at 4½%.

In 1881 the treasurer recommends to the Board that most of the scholarship funds of the College be consolidated for investment purposes, and points out the advantages of such a procedure both to the security of the individual funds and to the accounting practices of the treasurer's office. The Board took no action. The College's railroad stocks are now yielding 6½% on par, the bank stocks 6¼%, and the manufacturing stocks 8¾%. In 1883 the treasurer borrows \$50,000 from the Amherst Savings Bank at 4½%. And the following year this loan is paid off from receipts from a bequest to the College. The Treasurer renews his recommendation to consolidate some of the scholarship funds for investment purposes, and the Board approves the consolidation of twenty-seven such individual funds. This is the first treasurer's report I find that is audited by an independent auditor, Henry Piper of Boston. In the past, the reports have been audited by a committee of the Board.

Let us examine in more detail the treasurer's report of 1882. The report includes also the estimated budget for the current year. These documents give us an admirable picture of the finances of the College.

The treasurer lists the investments of the College at the book value of \$878,631, distributed as follows:

Railroad Bonds	\$233,800	26%
State Bonds	30,900	4
City Bonds	77,000	9
Railroad Stocks	186,600	21
Manufacturing Bonds	25,000	3
Sundry Stocks	2,650	.3
Bank Stock	43,100	5
Manufacturing Stocks	41,880	5
Notes Receivable	237,301	27
Savings Bank Deposit	400	
	<u>\$878,631</u>	<u>100</u>

A comparison of the 1882 summary with that for 1875 indicates the following significant changes. The investments (excluding real estate, which is included in the 1875 total but not the 1882 total, although the College still held the same real estate) show an increase in investments at book value of \$328,000, or 60%. The U.S. Governments have been sold. Railroad Bonds have increased by some \$53,000 but the proportion invested in railroad bonds has dropped from 30% to 26%. City Bonds have increased from \$26,000 to \$77,000 and the proportion invested from 4% to 9%. Railroad Stocks have risen from \$48,000 to \$186,600 and the proportion has risen from 8% to 21%. And Notes Receivable have risen from \$69,720 to \$237,301, with an increase in the proportion so invested from 12% to 27%. A new item appears, — Manufacturing Bonds at \$25,000.

The treasurer's report deals with the Walker Hall fire which occurred in the spring of the year, and the steps taken by the College to rebuild; the increase made in the college insurance by order of the Board; and the increase in the permanent funds of the College. The increase in endowment during the year was reported as just short of \$200,000.

First, there was the bequest under the will of Samuel Williston taken on the books at \$103,000, which we shall see later did not add more than \$23,000 to permanent funds. In addition, the College received over \$40,000 of the total of \$50,000 coming to it under the will of Joel Giles of the class of 1827, the income to be used for the purchase of books for the library. Giles had attended Amherst for only one year, 1823–24, and had graduated from Harvard and from the Harvard Law School, and been a practicing lawyer in Boston and New York. The third large gift to permanent endowment during the year was \$50,000 from Thomas H. McGraw of the class of 1869 of Poughkeepsie. McGraw attended the College only two years, and then entered the lumber business. In 1881 the College conferred on him the honorary degree of Master of Arts, making him an alumnus. In 1882 he gave \$50,000 to endow a Professorship of Mental and Moral Philosophy. In 1884 he was elected a trustee. He

made his gift in the form of a promissory note carrying 6% interest, and the note is listed by the treasurer under Notes Receivable. For three years he paid interest on the note at 6%. Subsequently, he became disaffected with the College for some reason which does not appear in the record. He refused payment of the note, and resigned from the Board. The College did not attempt legal action to collect the note. He was succeeded on the Board by D. Willis James.

Another generous donor to the College in this period was Mrs. Valeria G. Stone of Malden, Massachusetts. In 1880 she established the Stone Fund of \$50,000. Such portion of the fund as the Trustees deem necessary is to support the Stone Professorship of Biology. The incumbent of this chair "shall always be not only a man of good scientific attainments but also one of positive and earnest Christian character, so that his teaching and influence may serve to confirm his students' confidence in God's word as well as to increase their knowledge of His works." Any portion of the fund that may not be necessary for the perpetual salary of the Stone Professor and the thorough equipment of his department for its most effective work may be used by the Trustees in whatever way they think will best promote the prosperity of this institution.

And two years later, in 1882, Mrs. Stone established the Stone Scholarship Fund, by the assignment of twenty-two railroad bonds to the College, with the provision that the income should be paid to Mrs. Stone during her life. This fund now stands on the books of the College at \$24,954.82.

Until this year this is all that we knew about the Stone Professorship or the Stone Scholarship Fund. Who was Mrs. Stone, how was her interest in Amherst College aroused, what was the basis of her fortune? We had no information.

A few weeks ago there was discovered in a file of correspondence that had recently come into possession of the Hitchcock Room a letter from the Reverend William Henry Willcox to President Seelye. The letter, written in 1882, contained the following sentence: "And it occurs to me just here to mention a fact that will certainly interest you but which I think I have never mentioned to you before. The \$50,000 en-

dowment Mrs. S has already given to Amherst was the direct result of the great interest awakened in her mind by your little volume of lectures to the Brahmins." And in a postscript he suggests that Mrs. Stone may consider founding one or more scholarships at Amherst.

The "little volume" which, according to Willcox, produced a gift of \$50,000 for the College was of course Seelye's *The Way, the Truth, and the Life; Lectures to Educated Hindoos*, which he had delivered in India in the course of his trip around the world in 1872-1873, three years before he became president of the College, and which had been published in this country after his return. What a romantic story! A college professor gives a series of lectures in India to educated Hindoos and seven years later, when he has become president of the college, the volume of lectures stirs the heart of a lady in Boston, who founds a professorship at his college with a gift of \$50,000 and then suggests an additional gift for scholarship purposes.

In the library of Cornell University we found a little volume entitled *William Henry Willcox, A Sketch by his Children*, which enables us to fill out the story. Mr. Willcox (1821-1904) spent much of his life in a pastorate in Reading, Massachusetts, after graduating from what is now New York University, and Union Theological Seminary. His wife was the niece of Mrs. Daniel P. Stone, who was born Valeria Goodenow. Stone accumulated a fortune of some two million dollars as a dry goods merchant and private banker in Boston. The Stones, who lived in Malden, saw much of the Willcoxes, and asked Willcox to draw their wills. Stone died in 1878 at the age of eighty, and after legacies to relatives, left the residue to his widow, with the suggestion that part of it be given to charitable institutions. As executors it named two of his business associates and Willcox. Mrs. Stone then asked Willcox to resign his pastorate, which he had held for over twenty years, and at the same salary become her private secretary and confidential adviser. During the next few years Mrs. Stone, on Willcox's advice, gave more than a million dollars to educational and charitable institutions. Willcox

traveled widely, making careful investigations of institutions before recommending them. The leading beneficiaries were:

American Missionary Association	\$175,000
Phillips Academy, Andover	175,000
Wellesley College	110,000
Amherst College	75,000
Bowdoin College	75,000
Drury College	70,000
Oberlin College	50,000
Chicago Theological Seminary	50,000
Dartmouth College	35,000
Hamilton College	30,000
American College	25,000
Howard University	25,000
Boston Y.M.C.A.	25,000
Iowa College	20,000
Ripon College	20,000
Olivet College	20,000
Robert College	20,000
Illinois College	20,000
Beloit College	20,000
Hampton Normal Institute	20,000

This was of course before the day of the great foundations, and Willcox was in effect a one-man foundation acting for a most generous benefactor. Meanwhile, Mrs. Stone, contrary to the advice of Willcox, had made a new will, leaving her entire estate to him to distribute to educational and charitable institutions. On her death, six years after her husband's, there was a contest by the heirs. The contest was settled out of court by the allowance of \$50,000 to the heirs; the remainder was distributed by Willcox. He became trustee of Wellesley College, Drury College, Jaffna College, Abbott Academy, Phillips Academy at Andover, and the Malden Hospital; a member of the American Board of Commissioners for Foreign Missions, president of the Congregational Education Society, and a trustee of Straight University.

Willcox sent his two sons to Amherst College, where they graduated in the classes of 1884 and 1889. The elder son,

Walter F. Willcox, was for forty years a member of the faculty of Cornell University, and is now professor emeritus, living in Ithaca, New York.

The report of the treasurer indicates that not all of the investments of the College turned out well. For example, the 300 shares of stock of Collins Manufacturing Co., given the College in 1879 by Chester W. Chapin of Springfield because of his "high regard for the character of President Julius H. Seelye," and having a par value of \$30,000, were sold during the year for \$2,940.94 under advice of Mr. Chapin's son-in-law, Mr. Rumrill. Mr. Chapin was one of the leading citizens of the Commonwealth, president of the Boston & Albany Railroad; and his gift was to provide an endowment for the president's salary. This sale reduced the Chapin Fund from \$50,000 to \$27,940.94. Two years later Mr. Chapin's widow gave the College something over \$22,000 to restore the fund to an even \$50,000.

Let us turn now to examine the individual investments of the college funds in 1882. Railroad Bonds amount in total to \$233,800, or 26% of the total portfolio. There are twenty-seven different items. The largest are Chicago, Burlington & Quincy \$44,000, Chicago, Milwaukee & St. Paul \$26,000, Boston & Albany \$20,000, Chicago and Northwestern \$16,000, Old Colony \$15,000, and Boston & Maine \$10,000. Most of these companies were financed by Boston capital and maintained their financial offices in Boston.

Railroad Stocks amounted to \$186,600, or 21% of the total portfolio. But this figure is deceptive. It included the \$100,000 par value of St. Johnsbury & Lake Champlain Railroad received by the College in exchange for the bonds of the Lemoille Valley Railroad on the reorganization of the latter, and the Vermont & Canada. When we pass on from these two items given to the College, the list looks better. Next in order of size come Chicago, Burlington & Quincy \$11,000, Union Pacific \$10,000, Central Pacific \$10,000, and Atchison \$10,000. There are also small blocks of Boston & Albany, Boston & Lowell, Fitchburg, Connecticut River, Old Colony, Concord, New London Northern. Most of these, both the

New England roads and the western roads, were financed in Boston.

Bank Stocks represent \$43,100, or 5%, of the portfolio. There are nine items, headed by Easthampton \$14,000, Worcester \$8,000, Northampton \$5,000 and \$4,000. All are Massachusetts banks, two in Boston and the others country banks.

Manufacturing Stocks represent \$41,880, or 5%. Here there are fourteen items, all New England textiles, the largest being Washington Mills at \$8,000, and Hamilton Mills at \$5,000.

Notes Receivable is the largest category, \$237,301, or 27% of the portfolio. Here there are forty-five items, only two of which are of substantial amount. The McGraw note of \$50,000 I have already noted. The other substantial item is the notes of A. E. Abbott of \$100,000 secured by mortgage and given in payment of the Williston Mill at Easthampton. Most of the items are small loans such as a country savings bank would make today, some secured by mortgage, some by two names on the paper, most of the names doubtless local people known to the treasurer.

In Sundry Stocks the interesting item is 12 shares of United States Hotel Co. of Boston, Tilly Haynes' famous hostelry located near the Boston & Albany station and for many years commanding the reputation in Boston now held by the Waldorf in New York.

Fortunately, we are able at this period in the history of the College to go behind the formal list of investments in the portfolio, and watch the men who were responsible for financial policy. Austin Dickinson's files give us an interesting picture. The active members of the Finance Committee in the decade from 1875 to 1885 were Henry Edwards of Boston, Alpheus Hardy of Boston (until 1877), Alexander Bullock of Worcester, and John Sanford of Taunton. And among these the most active by far was Henry Edwards. He was writing almost every week to Dickinson on some matter of finance, he was dropping in on Hardy to get his approval, he was corresponding with Bullock and Sanford. And on his way to

and from his summer home in Lenox he would stop off at Amherst and then at Worcester to see Bullock.

The College's securities were kept in a box of the Union Safety Deposit Company at 40 State Street, Boston, close to the offices of Lee, Higginson & Company. Edwards writes Dickinson, for example, that he has "visited the College's safe deposit box to cut the July coupons and called at the treasurer's offices of various corporations to collect the July dividends"; he has deposited these to his personal account; and he encloses his check to the College for the total. He has sold the coupons on the \$93,000 U.S. Governments at a premium of 5½%, netting the College nearly \$500 extra. The Amoskeag dividend was \$40 per share, the Merrimac dividend was \$40 per share, the United States Hotel was \$5 per share. This was in 1877.

On another occasion he writes Dickinson that he has called on the treasurer of Harvard College and seen their *Record of Gifts and Bequests*, with all the conditions and letters pertaining to each gift copied in the record; and he recommends that Amherst prepare a similar book. It was a wise suggestion, but the Amherst treasurers did not follow it until 1932 when Treasurer Andrews prepared the Amherst Gift Book.

Edwards bought bonds for the College in his own name and took delivery. He then placed the bonds in the college box, and sent the invoice to Dickinson so that the College could reimburse him. In 1875 he saw a new type of fire extinguisher named the Johnson Pumper. He was so impressed that he bought a number for the College, and then arranged to have the salesman for the company give a lecture at the College before trustees, faculty, and representative students on fire prevention. He writes Dickinson that he is retaining a certain amount from his dividend collections for the college account to reimburse himself for the pumbers.

When Edwards bought bonds or stock for the College, he shopped around among the different Boston brokers to get the best offer he could. And when he had obtained the lowest offer, he asked for a further discount in price because the

transaction was for account of the College, and got it. Then he would report to Dickinson in detail. All of his letters were in longhand. Dickinson's letters to him are not preserved, for Dickinson seldom kept copies of his own letters for his files.

We have seldom had a more indefatigable trustee than Henry Edwards. One of his letters to Treasurer Dickinson, written in 1878 when Edwards was eighty years old and suffering severely from rheumatism, recites that he has recently been run down on Tremont Street, Boston, by a team driven by a "Jehu," that he hit his head on the pavement, and was picked up unconscious, but in a week was back in his office looking out for the affairs of the College. He made frequent business trips to New York. He advised the treasurer on matters of accounting practice. He solicited his friends for gifts to the College. But he could not go on forever. In 1884, at the age of eighty-six and after forty years of service as an Amherst trustee, he tendered his resignation because of the infirmities of age, and the Board reluctantly accepted his decision.

In 1875 Rufus Bela Kellogg of the class of 1858 was elected the first alumni trustee of the College. Kellogg was born in North Amherst and after graduation he went west to make his fortune. And did. Among his ventures was the Kellogg National Bank of Green Bay, Wisconsin, which he founded and of which he was president for many years. In 1877, two years after his election to the Board, he wrote Edwards recommending the investment of a limited amount of college funds in western mortgages, paying 10%, and giving his ideas on investment policy in general. Kellogg offered to guarantee an investment of \$5,000 in this field and to select the mortgages himself and collect the interest. It was a radical suggestion for these New Englanders to consider, and Edwards consulted Bullock and Sanford. Finally, they all approved an investment of \$5,000 of college funds, and Edwards wrote Dickinson authorizing him to proceed. Kellogg's letter is an interesting document. He was devoted to the College and he brought a fresh point of view to the Board. He served only one term of five years as a trustee, but his interest in

Amherst continued for the rest of his life. He later gave a permanent fund for the Kellogg Prizes in Public Speaking and another fund of \$30,000 to found the Rufus B. Kellogg University Fellowship, which was among the first in the country.

By the time Treasurer Dickinson had completed his first decade in office, the composition of the Finance Committee had changed. Williston retired from the Board in 1874, Hardy in 1877, Bullock in 1882, and Edwards in 1884. They were succeeded by Sanford, Hyde, Brayton, and Whitcomb; two lawyers and two businessmen, all from Massachusetts, and all but Brayton graduates of the College. Sanford, Hyde, and Whitcomb all rendered distinguished service to the College. Brayton was not particularly active.

John Summerfield Brayton was a bank president in Fall River, and his son was a graduate of the College in the class of 1888. The father served on the Board till 1900. He was a good friend of Whitcomb's. He made occasional small gifts, five hundred dollars for the purchase of books of Spanish literature, one hundred dollars for the work of the Greek Department, two hundred and fifty for general purposes, and several of three hundred dollars each to bring distinguished preachers to the College. But he does not seem to have played a significant part in either the deliberations of the Board or the work of the Finance Committee.

Henry Dwight Hyde (1838-1897) was born in Southbridge, prepared for college at Williston Seminary, graduated from Amherst in the class of 1861, and studied law at Harvard Law School. From 1864 to 1897 he practiced law in Boston as senior member of the firm of Hyde, Dickinson and Howe, one of the leading firms of corporation lawyers of New England. Professor Samuel Williston of the Harvard Law School faculty was for many years associated with this office. Hyde was a trustee of Amherst from 1877 to 1897 and of Mount Holyoke College from 1880 to 1893. He was a donor of the fund for the Hyde Prize in Public Speaking and he made other generous contributions to the funds of the College.

John E. Sanford (1830–1907) was born in Dennis, Massachusetts, prepared for college at Amherst Academy and Wiliston, graduated from the College in the class of 1851, taught school, was for a year tutor at the College, studied law in the office of Treasurer Edward Dickinson and elsewhere, and practiced his profession in Taunton from 1856 till 1899. Sanford held many offices of trust in the Commonwealth. He was Speaker of the House, chairman of the Harbor and Land Commissioners, and later chairman of the Board of Railroad Commissioners. He was a trustee of the College from 1874 to 1907, and president of the Board from 1899 to 1907. He gave the \$5,000 scholarship fund in memory of his class. My college classmate, Marcus A. Rhodes, who entered Amherst from Taunton, remembers Mr. Sanford, whom he met in 1898 or 1899. "I still recall," says Rhodes, "how kindly and sympathetic he was, as we discussed my entrance to Amherst College. But dignity was his chief characteristic. In his earlier years he had taken some interest in local politics, but his duties on various commissions kept him in Boston more and more as time went on." Rhodes is now president of the Taunton Savings Bank, a position once held by Sanford, and one of the older trustees of the bank recalls that when Sanford was presiding and the clock showed that six o'clock was approaching, Sanford would put on the pressure so that the business of the meeting could be completed before six. "Apparently dinner was a fixed date and he didn't intend to be late."

We have a large number of Sanford's letters in our files, all in longhand and all addressed to Treasurer Dickinson. They show his constant, careful attention to the investment policy of the College and his frequent trips to Amherst for meetings of the Finance Committee or for conference with the president and treasurer.

George Henry Whitcomb (1842–1916) was born in Templeton, Massachusetts, prepared for college at Phillips Academy, Andover, and graduated from the College in the class of 1864. He built up a large business as a manufacturer of envelopes in Worcester, formed the United States Envelope

Company in 1898, invested his fortune widely, with substantial interests in Seattle, Washington, and Pueblo, Colorado, was a director of many corporations and a large owner of real estate. He was proposed as a candidate for alumni trustee of Amherst in 1879 by a group of influential alumni, including General Francis A. Walker, later president of Massachusetts Institute of Technology, but was defeated by General Walker who was himself a candidate. In 1884 he was elected a life trustee and served until his death in 1916. For three years he was treasurer of the College. He was also trustee of Mount Holyoke College and chairman of the Prudential Committee of the American Board of Commissioners for Foreign Missions. His three sons graduated from the College in the classes of 1894, 1900, 1904; and his son Ernest has continued his close connection with the College right up to the present time.

All of these men — Hyde, Sanford, and Whitcomb — started from simple backgrounds in small Massachusetts towns. All attained eminence, two acquired substantial fortunes, and all rendered long public service, including distinguished service to their alma mater. They were prudent, hard-headed, shrewd judges of investments, and they were tireless workers in the interest of the College. The Board was still largely a Massachusetts Board, its New York members being distinguished ministers. And the finances of the College were handled in Boston and Worcester.

In the final decade of the century three New York men of affairs were elected to the Board: George Arthur Plimpton in 1890, Daniel Willis James in 1891, and Charles Millard Pratt in 1897. Two were graduates of the College, one was the father of a then recent graduate. They differed widely in age, in experience, and in interest. One was a man of substantial means, two were men of great wealth; all three were generous in the time and thought they devoted to the problems of the College, as well as in the large pecuniary gifts they made from time to time. Mr. Plimpton secured more money in gifts for the College than any other trustee before or since. The gifts of the Pratt family and of the James fam-

ily have been of a magnitude beyond those of any other family in the history of Amherst. And it was through Mr. Pratt that his boyhood friend, Henry Clay Folger, came to Amherst as a student; it was through Mr. Pratt that Folger remained in college to finish his course when the family fortunes suffered a severe reverse. Pratt and Folger were associated together in business and were lifelong friends. It was at Amherst that Folger developed his intense interest in Shakespeare. The college that was founded by the indomitable faith of a few men in western Massachusetts in the decade of the 1820's, and was saved from bankruptcy and extinction by two other men in western Massachusetts in the decade of the 1840's, was provided with material resources to make the college of today largely by the influence, the prudence, and the gifts of three New York men who were elected to the Amherst Board in the 1890's.

George A. Plimpton (1855-1936) was born in Walpole, Massachusetts, prepared for college at Phillips Academy at Exeter, and graduated from Amherst in the class of 1876. He attended Harvard Law School the following year, and then entered the employ of Ginn & Co., publishers in New York City. At an early age he was made a partner, and later became head of the firm. He was elected an alumni trustee of the College in 1890 and served for five years. In 1900 he was elected to the life Board; in 1907 he succeeded John E. Sanford as president of the Board and continued to serve in this office till his death in 1936. He was trustee and for some years treasurer of Barnard College, trustee of Phillips Academy at Exeter, trustee of Union Theological Seminary, trustee of the American College for Girls in Constantinople. He was an inveterate collector; his unique collection of early textbooks he gave to Columbia, his Dante collection to Wellesley, his collection of French and Indian War material to Amherst, his collection of theatrical material to Amherst. He published a number of scholarly books, delivered lectures before learned societies here and abroad. His close association with Amherst covers a span of forty-six years and the administrations of six presidents. We think of Mr. Plimp-

ton as an elder statesman, as, in fact, the elder statesman of the College. We are likely to forget that when he was elected to the Board in 1890, he was the youngest member of the Board and only thirty-five years old.

D. Willis James (1832–1904) was already sixty when he was elected to the Board the year after Mr. Plimpton. He was born in Liverpool, England, of American parents and his father was the resident English partner of the New York firm of Phelps Dodge & Co. His mother was the daughter of the head of the firm. He attended school in England and for a year was a student at the University of Edinburgh. At the age of seventeen he came to New York to enter the employ of Phelps Dodge & Co. and in five years was himself a partner. He was a pioneer in the development of the railroads of Mexico and of our Southwest, and amassed one of the large fortunes of the day. He was closely associated with the senior J. P. Morgan and the Morgan banking firm in many undertakings. Unlike most of his colleagues on the Amherst Board, who had made their way up from simple backgrounds, Mr. James was born to wealth and power. He was a deeply religious man, who regarded his wealth as a trust, and throughout his long life he was a philanthropist of warm heart who gave liberally, and often anonymously, to a wide variety of causes and institutions. It would be interesting to know why he chose Amherst for the education of his only son, Arthur Curtiss James of the class of 1889, who graduated two years before his father was elected to the Board, but, unfortunately, we have no clue to suggest an answer as we have in the case of the Pratt brothers.

Mr. James was named to the Finance Committee in 1892 and continued on the committee throughout his term as trustee. Sanford seems to have been a bit overawed by James at first, but Whitcomb promptly came to know him and they became warm friends. And later Whitcomb and James were associated in some of their personal business investments.

The third New York man of affairs to join the Amherst Board in the decade of the nineties was Charles Millard Pratt. Pratt's father, Charles Pratt (1830–1891), had come

from a simple background in New England, had developed a large oil business under the name of Charles Pratt & Co. of New York, had joined the elder Rockefeller as a partner in the Standard Oil Company in the seventies, and for a number of years presided at meetings of the partners. He is described by his contemporaries as a man of great concentration and self-restraint, frugal and modest, an intense worker, deeply religious, and, curiously, for a man who was one of the recognized leaders in the greatest business enterprise the world has ever seen, a man who found it uncommonly difficult to come to decisions. He married twice, and had six sons and two daughters. All of his sons he sent to Amherst; one daughter married an Amherst graduate. Many of his grandsons attended the College, and some of his great-grandsons. A charming picture of the home life of the Pratt family in the middle seventies of the last century is contained in the personal boyhood diary of his son Fred, which has been privately printed. Charles Pratt, with little formal education, became intensely interested in the problems of education. He watched new developments in the field in this country, and in 1889 he traveled widely in Europe, visiting twenty cities in England, France, Austria, Germany, Switzerland, to observe at first hand what was being done abroad. In 1887 he founded Pratt Institute in Brooklyn, where he had made his home, and he devoted a large amount of his time to the direction of its affairs until his death four years later. Pratt Institute is his monument, and Founder's Day is celebrated there each October.

His eldest son, Charles Millard Pratt (1855-1935), was born in Brooklyn, and prepared for college at Adelphi Academy. There he impressed one of his teachers, William C. Peckham, who was a graduate of Amherst in the class of 1867. Peckham had served in the army in the Civil War, taught at Williston Academy, attended lectures at Union Theological Seminary, and had been licensed to preach. In 1871 he had joined the faculty at Adelphi, where he was to make his career. Peckham talked to Pratt's father and persuaded him, as he had already persuaded young Charles,

that Amherst was the college for him to select. He took young Pratt and his classmate, Henry Clay Folger, to Amherst and entered them both. And doubtless he introduced them to the young men in his own fraternity, Alpha Delta Phi. Amherst has owed a great deal to its graduates in the preparatory and high schools who have brought the College to the attention of their young students. But in no other case has the College ultimately received such princely material benefits.

Just before the two boys were to begin their college course, something seems to have occurred which turned the thoughts of young Pratt's father toward Harvard, and he wrote his son suggesting that he consider the college in Cambridge. We have the letter written by young Pratt to his father in reply to this suggestion a few weeks before the opening of the college year. "The idea of entering Harvard has been farther from my mind," he says, "than of any other college, and I had thought that you entertained the same opinion toward it as I did. Why you have changed your views I cannot imagine unless you have been influenced by others.

"You told me some time ago that I could do as I wished respecting my choice of a college, and I have done so, but you shall be Prime Minister in this matter and my choice need not be considered valid.

"In considering and comparing the two colleges, H and A, I can see but very few things in which H excels A and many in which A excels H. To be able to say at the end of my college course that I was a graduate of Harvard College would be pleasant and might be used as something of a recommendation, but, as for my real standing I believe that Amherst will do as much for me as Harvard, in fact more.

"At H a man is ranked almost entirely by his examinations. His daily presence and recitation in classroom is not strictly required, provided he passes a creditable examination at the end of 6 mos. and of the yr. At A it is not so, a man must be in his place every day, unless he has a suitable excuse to offer for not being. There is, I think, but slight difference in the Curriculum of Study between the two col-

leges. As far as regards the social relations, I prefer the students of A to those of H.

"It is almost a common practice if I judge aright from conversing with E. W. Roby for students at H to gamble at poker, smoke and drink. Of course I need not, but it is quite likely I would.

"Harvard is no doubt a place where a man can mingle with and see life in all its phases, and in that respect surpasses A. If one can mingle with students of all degrees of opulence, morals, and success in study, and, after four years, come out untarnished, it might be better for him. But I am perfectly content not to try the experiment.

"As regards the situation of the two colleges, I much prefer A and think it will much prefer me, that is, as regards my health."

So Charles M. Pratt and his boyhood friend, Henry C. Folger, entered Amherst together in the autumn of 1875, joined Alpha Delta Phi, and graduated in 1879. Folger was the better student and was elected to Phi Beta Kappa. Folger sang in the Glee Club and in the Alpha Delta Phi quartet. In his junior year the Folger family suffered financial reverses and young Folger made plans to leave college and go to work. But Pratt's father provided the funds which enabled him to remain in college and complete his course. Later in his junior year Folger won a first prize for an essay on *Dickens as a Preacher*, the prize for an essay on Shakespeare going to a classmate. In his senior year he won first prize in the Hyde contest with an address on Tennyson, and was elected Ivy Orator. His Ivy address was entitled *The Sovereignty of Sentiment*. Pratt played on his class football and baseball teams, was gym captain, an editor of *The Student*, president of the Musical Association, and had a commencement appointment. His address was entitled, prophetically, *State Preventive Medicine*. On his graduation, Pratt was elected class secretary and held the office for the rest of his active life. He kept in close contact with classmates, helped many of them quietly, and published every five years the class book.

On graduating from college, Pratt went directly into the

family business of Charles Pratt & Co., of which he was made president. From 1882 to 1911 he was secretary, treasurer, and a director of the Standard Oil Company. From 1911 until his illness in 1921 and his complete retirement in 1923, he was in charge of the fortune of the family, director of banks, railways, industrial companies, trustee of Amherst and Vassar Colleges and of Pratt Institute, director of the Brooklyn Bureau of Charities, trustee of the Brooklyn Y.M.C.A. With the other directors of the New Haven Railroad, he was indicted for attempting to create a monopoly of transportation in New England, and convicted. Doubtless largely from worry over this suit, his health broke and his mind failed, and he was forced to live in complete retirement for the last dozen years of his life.

The Pratt family fortune, which had been left by his father, was in stock of the old Standard Oil Company. At that time, Standard Oil was not publicly held, but was all owned by the families of the men who had founded the company. His father's will left the estate in trust over a long period of time, with the provision that only modest sums should be paid to the living heirs. These provisions were later modified by court decree on the ground that the original will violated the rule against perpetuities. Pratt as manager of the estate made the momentous decision to keep the trust fund invested in Standard Oil. As a result, under his direction, it became one of the great fortunes of the country. The estate is still only partially distributed.

Pratt's first gift to Amherst was made in 1883, when he gave some \$35,000 to the College toward the cost of Pratt Gymnasium, the first Amherst building, as President Seelye pointed out with pride, given to the College by an alumnus. It seems altogether likely that his father helped him to make this gift. In any event, the gift was made within four years after Pratt had graduated, and the voluminous correspondence in connection with the gift indicates a lively interest on the part of the father, who wrote many of the letters in long-hand to Dr. Hitchcock and President Seelye. Their letters have not been preserved.

While the Finance Committee after 1884 was made up of Sanford, Hyde, and Whitcomb, and after 1892 of Sanford, James, and Whitcomb, Whitcomb was the active, working member of the committee. He was forty-two years old when he was elected to the Board. He was a man of boundless energy, he was devoted to the College and came often from Worcester to Amherst, and he was never afraid to take and to exercise responsibility. His correspondence with the treasurer was voluminous, and was mostly in longhand. From 1884 until 1907 he was the dominant man in determining the investment policy of the College.

The year 1884, when Whitcomb joined the Board, had seen a sharp financial panic. The immediate cause had been several important failures involving large defalcations. The panic was short and the business reaction had lasted only a year. By 1887 the country was enjoying great prosperity. In 1890 occurred the Baring failure in London. The reaction in this country was slight. The boom in western lands was at its height, and railroad mileage continued to grow, until in 1893 it was twice what it was in 1878.

Meanwhile, the endowment of the College had been growing steadily. By 1892 the endowment, including the Charity Fund, had passed \$1,300,000. It had grown about a third in the decade and had a little more than doubled since Austin Dickinson took office. There had been six important additions to the permanent funds of the College in the decade. The two largest, of \$100,000 each, were the gift of D. Willis James. In 1887 and 1889, before he was a member of the Board and while his son was still an undergraduate, he established the D. Willis James Fund of \$100,000, the income "to be used to pay professors a salary commensurate with always securing and retaining the very best men for the several chairs rather than to now increase the number of professors." And in 1891 James gave another \$100,000 to establish the Seelye Fund, with the same conditions as those attached to the James Fund. This gift was in recognition of the distinguished service to the College rendered by President Seelye, who had recently retired for reasons of health.

In 1885 Henry Winkley of Philadelphia gave the College \$50,000 in cash to establish the Winkley Professorship of History and Political Economy, later changed to the Winkley Professorship of History. And four years later, on Winkley's death, the College received his generous bequest of \$30,000 to add to its endowment. The use of the income was unrestricted. Henry Winkley (1804-1888) was born on a farm in Barrington, New Hampshire, but his health was too frail in boyhood to permit him to acquire much schooling. When he was twenty-two he decided to seek his fortune in the city. He walked the ten miles to Dover and took the stage to Boston. A week later he had a position with a dealer in china and crockery. Within six months he realized that his employer was not a good businessman, and he promptly resigned and went on to New York. The second day after his arrival in New York he secured a position in one of the largest importing houses. Three years later he opened a store of his own in Philadelphia, and later one in New York. His business was the importation and wholesaling of crockery. When he was forty-eight he retired from business, to gratify his life's ambition to travel and study at firsthand the religious, social, and political institutions of Europe. On his return to the United States, he decided to devote his fortune to education and selected four schools and colleges "known for their Orthodox principles and substantial learning." Amherst was not one of them. In 1878 President Seelye wrote him to suggest a gift to Amherst, and Winkley replied that he admired Amherst, but he "was under the impression that Yale and Amherst Colleges were strong, better known and popular with the public, having greater facilities in obtaining contributions." Unfortunately for us, even in 1878, Yale and Amherst had the reputation of being well-off.

Early in 1882 President Seelye enlisted the assistance of a young Amherst alumnus less than six years out of college, named George Arthur Plimpton. Plimpton bought a copy of Tyler's History for \$3.00 and, armed with this and a statement of the needs of the College prepared for him by President Seelye, made a series of calls on Mr. Winkley in Phila-

delphia. As far as I can find, this is the first of Mr. Plimpton's attempts to secure a large gift for the College. After three years, Plimpton's persuasive efforts, seconded by letters from President Seelye, bore fruit. Henry Winkley made a gift of \$50,000 to Amherst to found the Winkley Professorship. President Seelye then sent him a catalogue and asked him to choose a subject for the professorship, and Winkley selected history and political economy. Four years later, on Winkley's death, his will contained generous bequests to four colleges and three schools: \$30,000 to Amherst, \$50,000 to Williams, \$20,000 to Bowdoin, \$20,000 to Dartmouth, \$20,000 to Phillips Academy at Exeter, \$20,000 to Phillips Academy at Andover, and \$25,000 to the Theological Seminary at Bangor, Maine. Harvard College did not receive a bequest in his will but had already received gifts totaling \$100,000 during his lifetime.

In 1890 the College received a generous gift of \$50,000 from Frederic Billings of Woodstock, Vermont, to establish the Parmly Billings Professorship of Hygiene and Physical Education, in memory of his son Parmly who had graduated from Amherst in the class of 1884. Frederic Billings (1823–1890) was born in Vermont and graduated from the University of Vermont in 1844. He studied law and began practice in Woodstock. In 1849 he went to California in the gold rush and opened a law office in San Francisco. Here he not only made a fortune, but he was active in civic affairs, and was the first president of the Board of Trustees of the University of California. He might have had a political career had his health not failed. He returned to Woodstock, but later became active in the Northern Pacific Railroad and in the Nicaragua Canal Company. The city of Billings, Montana, is named for him. His two sons came to Amherst. Parmly (1863–1888) transferred to Amherst after a year at Williams, graduated in the class of 1884, and entered the banking business in Billings. He died in 1888 at the age of twenty-five. His father had already made two gifts to the College, \$5,000 in 1884 and \$5,000 in 1887 toward equipping Pratt Gymnasium. He had intended to endow a professorship in Latin

in memory of Parmly, but, finding that the College already had a Latin chair, he changed to Physical Education because of Parmly's fondness for Dr. Hitchcock. And he made the gift in his lifetime, anticipating a provision he had inserted in his will.

His younger son, Richard Billings, graduated in the class of 1897 and later gave his alma mater the statue of Noah Webster which now stands north of Walker Hall. Richard, or "Josh" as he was called in college, I remember well from my undergraduate days when he used to return as a young alumnus. After the death of Frederic Billings, his widow and his son Richard made frequent gifts to the College toward the support of Dr. Hitchcock's work in Physical Education.

In 1891 the College received the bequest of John C. Newton of Worcester of \$54,000 to found the John C. Newton Professorship of Greek and Lectureship in Sculpture, later called the John C. Newton Professorship of Greek. John C. Newton (1810-1890) was born in Hardwick, Massachusetts, and moved to Worcester as a young man. He was a mason by trade and later became a large building contractor. His bequest to the College was due to his affection and respect for Professor Richard Mather of our faculty, and his choice of Greek and Sculpture was because this covered the work that Professor Mather devoted himself to with great success. The endowment was reduced in 1896 to \$47,384, because of losses on Northern Pacific stock in which the fund was invested.

One of the most significant gifts to come to the College during this decade was from Rufus Bela Kellogg (1837-1891) of the class of 1858. Kellogg we have already discussed earlier in the chapter as the first alumni trustee of the College; a banker in Green Bay, Wisconsin, who suggested the investment of a limited amount of college funds in western mortgages which he undertook to guarantee both as to principal and interest. In 1893 he gave the College ten shares of stock of the First National Bank of Chicago, taken by us at a value of \$33,000, to support the Kellogg Prizes in Public Speaking and to establish the Kellogg University Fellow-

ship. Kellogg wrote a letter to his friend John W. Burgess of the class of 1867, who had been a professor at Amherst earlier and was now a trustee of the College and dean of the Faculties of Political Science, Philosophy, Pure Science, and Fine Arts at Columbia University, deploring gifts to colleges in which the donor imposed restrictions which later involved the college in problems of administration. He then proceeded to impose the most detailed restrictions on his gift. He provided, for example, that the Kellogg Prize Speaking Contest "shall be held on Monday evening (at the usual hours) of Commencement Week, otherwise this gift is to be forfeited." When the College changed its calendar to provide for week-end commencements years later, counsel for the College had to negotiate with the Kellogg heirs and secure their permission to hold the contests on another night than Monday. And if the heirs had not generously waived this restriction, the College would doubtless have preferred to forfeit the fund rather than maintain the old college calendar for commencement indefinitely. The restrictions on the fellowship were more complicated and caused more difficulty.

Kellogg's gift of a fund for fellowships was a far-sighted suggestion on his part which may have been the result of conversations with Burgess. The Kellogg Fellowship was among the earliest established in this country. Its main purpose was of course to provide a stipend to enable an excellent student of limited pecuniary means to continue his studies in graduate school in preparation for a life devoted to scholarship. Today Amherst is uncommonly well provided with funds for this purpose, which have been given to the College from time to time during the present century and which enable a substantial number of our young graduates to continue their studies in universities here and abroad. But Kellogg was a pioneer in this field which has proved so fruitful. The restrictions which he imposed on the award of the fellowship, however, were so detailed that they soon became obsolete under the changing conditions of life in America. It became almost impossible to find a candidate, how-

ever impecunious and however devoted to the scholarly life as a career, who would undertake to accept the fellowship and comply with the conditions, conditions which may very well have been reasonable in 1893. Early in President Harris' administration he brought the matter to the attention of the Board, and a committee of trustees was appointed to endeavor to obtain from the heirs some modifications of the terms. The minutes do not indicate any formal report from the committee in the matter.

The problem of administering the fellowship became more difficult as the years passed, and was brought to the attention of the Board by succeeding presidents. Counsel for the College attempted to secure from the heirs a consent to a modification of its terms, but without success. When I became president in 1932, I read the complete file in the matter. Fortunately, we found a suitable candidate at the time, and as one of the terms of the fellowship was that it should be held for seven years, the matter was laid on the table during the term of Philip T. Ives, '32. Later I took the matter up myself with the heirs in my capacity as president and without the participation of counsel, and in 1946 secured their agreement in writing to the modifications which I had submitted to them. Two of the heirs were under twenty-one, and the matter will of course be reopened with them when they reach their majority. The heirs are now resident in Pennsylvania, Virginia, and Florida.

The largest bequest the College received in this period, and one of the largest in its history, was the bequest under the will of Daniel Fayerweather of New York. Between 1892 and 1917 the College received from the Fayerweather estate a total amount of \$228,145 without restrictions of any kind. The money was used for various purposes, including the building and equipping of the Fayerweather Laboratory of Physics and Chemistry, now the Fayerweather Laboratory of Physics. The balance of the fund which was finally set up as an endowment fund is small.

Daniel B. Fayerweather was the senior partner in the firm of Fayerweather and Ladew, the largest leather dealers in

the country at the time and perhaps in the world. Born a poor boy in New England, he became a shoemaker and later a peddler in Virginia. He often took hides in payment for the goods he sold as he traveled about the state, and decided he would become a dealer in leather. When he had saved enough money he enrolled in a boys' boarding school in Connecticut, where the other students were seven or eight years younger. At the age of thirty-two he obtained a clerkship with a New York firm of leather dealers and within a year was admitted to the firm as a partner. He was little known in New York except in the leather district, at the Manhattan end of Brooklyn Bridge, where he gradually became known affectionately as "Old Dan." And no one realized that he had become a very wealthy man. In 1886 he began to consider what disposition he should ultimately make of his fortune by will, and he consulted confidentially with Dr. Roswell D. Hitchcock, president of Union Theological Seminary. Dr. Hitchcock had graduated from Amherst in the class of 1836 and had been a trustee of the College since 1869. Guided by Dr. Hitchcock, Fayerweather made his will, by which, after what he considered suitable provision for his family, he left the remainder of his estate to a score of colleges in amounts ranging from \$50,000 to \$300,000. There were no restrictions on the bequests and no provision for the perpetuation of his name.

Legal problems developed immediately in the settlement of the estate and extended over many years. The matter came before the Board in 1891, in 1893, and in 1897. In 1917 Treasurer Kidder executed a receipt in behalf of the College for the final payment of the College's legacy. The correspondence in the files of the College is voluminous, but of little interest to us today. A number of technical points of law were involved, including a New York statute limiting the proportion of a decedent's estate which could be willed to charity. A number of young Amherst alumni who were members of the New York bar wrote requesting appointment as counsel for the College. Each of the twenty colleges was represented by distinguished counsel. Amherst's interests were handled

for most of the period by James Lord Bishop of the class of 1865. At the trial of the issues, the colleges whose interests were the same as Amherst's decided on a young graduate of Hamilton College named Elihu Root to present their case. James L. Bishop wrote a letter to the treasurer asking his approval and saying that in the judgment of counsel involved Root was the ablest young man at the New York bar and quite able to meet Joseph H. Choate, who would represent the other side. The Amherst treasurer appears to have accepted Mr. Bishop's recommendation.

When President Charles W. Cole was a professor on the Amherst faculty, he occupied an office in Fayerweather; when he accepted an appointment as professor at Columbia University, he was assigned an office in Columbia's Fayerweather Hall. Columbia had named the Hall for Fayerweather when it was built; Amherst had not been so appreciative in recognition of this unknown but generous donor. The Amherst building was known simply as the Chemistry and Physics Laboratories until 1930. I then asked the Amherst Board to attach Fayerweather's name to the building and to place a bronze plaque at the entrance to give this belated recognition to one of the College's most generous benefactors.

One of the difficult problems handled by Whitcomb for the Finance Committee in his early days as a trustee resulted from the will of Samuel Williston. Mr. Williston died in 1874. His will, executed the previous year, left specific bequests of over \$700,000, with the residue to Amherst College. While Mr. Williston had been extraordinarily successful as a businessman and had accumulated perhaps the largest fortune of his day in western Massachusetts, his final business venture, the erection of a large thread mill in Easthampton to compete with one of the old thread manufacturers of England, had been unsuccessful. And as a result, his fortune was much reduced in the final years of his life. The College received title to this mill in the settlement of the estate, and received nothing more. After prolonged negotiation the College was able to sell the mill for some \$103,000 to one Albert Abbott, taking \$3,000 in cash and five serial notes of \$20,000 each.

The first note was paid at maturity; then Abbott failed. Whitcomb took over the problem for the College, and his long-hand letters to the treasurer of Amherst tell something of his difficulties in realizing on the remaining notes which were secured by mortgage on the mill. Finally, in 1888 Whitcomb was able to sell the remaining \$80,000 notes and mortgage for \$5,000. His letters show his profound disappointment, as he had expected to obtain at least \$10,000. Doubtless, with his experience as a manufacturer and his natural instincts as a trader, he secured for the College all that could have been salvaged. The \$28,000 realized from the Williston estate was added to the Williston Contingent Fund which Mr. Williston had established in 1872 by the gift of \$50,000, bringing the fund up to about \$78,000.

The endowment of the College, as we have seen, had been growing steadily. By 1892 the endowment, including the Charity Fund, had passed \$1,300,000. The distribution of the investments had shifted, and this was due both to changes in the investment market and to the influence of the new men, particularly Whitcomb, on the Finance Committee. The largest classification was Notes Receivable at 37%. Bonds and Notes Receivable contained four large items which together made up two-thirds of the total of \$452,000. The largest were the notes of John C. and L. D. Hammond of about \$170,000; followed in order by a temporary investment made by Whitcomb in the \$40,000 note of the Western Construction Co., the McGraw note of \$50,000 which was still carried as an asset, and the serial notes of R. H. Stearns & Co. of Boston of \$37,000 covering the cost of construction of their new store and secured by mortgages on the leaseholds. These notes were signed by R. H. Stearns and were arranged and passed on by Henry Hyde. The earlier notes were paid at maturity; the later ones were anticipated. Frank W. Stearns was at this time a young man in the store, not long out of Amherst College. Later, two presidents of R. H. Stearns & Co. were members of the Amherst Board, for a total of nearly thirty years.

New types of securities begin to appear in the 1892 port-

folio. Five street railway items, totaling \$26,000 par value of bonds, were now on the college list; New York & New Jersey Telephone Co. bonds, New England Telephone Co. stock, Erie Tel. & Tel. stock, and Western Union Tel. Co. stock. The list of bank stocks had increased from nine banks to nineteen, all in Massachusetts. The common stocks of New England textile manufacturing companies had decreased by 25%. The bonds of Virginia had decreased from nearly \$30,000 to \$18,000, the Tennessee bonds were lower, and Massachusetts bonds appeared for the first time. The College had also bought a number of debenture bonds, nearly \$45,000 of the Equitable Mortgage Co. and \$15,000 of the Davidson Investment Co.

The trial balance of 1892 shows cash on hand of \$35,798, and a "New Gymnasium Debt" of \$30,268.95. There is also a Profit & Loss item on the wrong side of the ledger of \$5,561.79. The debt on the New Gymnasium was due to the fact that the building and equipment built in 1883 cost some \$30,000 more than the gift of Mr. Pratt of some \$35,000. The College also had outstanding \$50,000 on Notes Payable. This was doubtless two loans made at the Amherst Savings Bank in 1889 and 1891. The bank charged the College 4½%.

In 1887 the New York alumni sent a communication to the Board asking that an annual statement of the finances of the College be given to the alumni. The matter was referred to the next meeting of the Board, and was then referred to the Finance Committee with power. I do not find that the Finance Committee took any affirmative action at the time. This of course was long before the alumni of the College were being asked for funds to support the College. Gifts were being sought constantly, but only from the wealthy or well-to-do members of the alumni body.

Treasurer Dickinson had begun his service to the College in the early days of the panic of 1873. Now, nearing the age of sixty-five, he was faced with the panic of 1893. The first warning of impending disaster had been the Baring failure in London in 1890. But the land boom had continued until in 1893 the crash came with the failure of the Philadelphia

and Reading and the Erie Railroads. Specie payments were practically suspended by the banks, six hundred banks failed, and the commercial failures were three times what they had been in 1873. A long depression followed, as it had in 1837 and again in 1873. It was not until 1897 that marked business improvement set in, to be followed by a long period of prosperity.

The treasurer did not survive the depression. In August 1895 William Austin Dickinson died, after serving the College for twenty-two years as its treasurer. "His career," says George Whicher, "though closely patterned after the paternal model, never brought him into the thick of life or called out all his capacities." His father's activities had brought him into contact with the men who were leaders in state and nation. Austin remained at home, was town moderator, trustee of the Savings Bank for nearly thirty years, treasurer of the College, a useful and respected citizen. He planted the trees on the town common, planted the college grove, was sensitive to the aesthetic side of life. And he permitted himself more personal eccentricities than is usual with a college treasurer, from the yellow hunting coat he wore as a young man, to the green wig he affected in his later years. His term of service with the College covered the last years of President Stearns' administration, all of President Seelye's, and the first half of President Gates'. Because of Gates' ineptitudes as an administrator, Austin Dickinson's duties as treasurer were much enlarged during the final years of his term. But as he grew older, he hated to leave Amherst even for a brief trip. The correspondence indicates that Whitcomb, the busy manufacturer and member of the Finance Committee, would frequently make the trip from Worcester to Amherst, but there is no reference to Dickinson's traveling to Worcester for consultation. Dickinson's annual reports to the Board are a model of clear statement and show a careful and balanced judgment in financial matters, but his handwriting was poorer than average. His relations with most of the members of the Finance Committee were formal and official; only John Sanford of Taunton was on such a basis of per-

sonal intimacy that first names were used in correspondence and greetings were extended to Mrs. Dickinson. He was a good treasurer, and, happily for him, he did not live to learn that his confidence had been grossly betrayed by one of his most trusted subordinates.

Chapter Six

G. HENRY WHITCOMB, Treasurer 1895–1898
JOSEPH W. FAIRBANKS, Treasurer 1898–1903
WALTER M. HOWLAND, Treasurer 1903–1909

The year 1895 is remembered today by our alumni because in that year the College graduated two of its most distinguished sons, Calvin Coolidge and Dwight W. Morrow. Both later became trustees, as did two of their classmates, Herbert L. Pratt and Lucius R. Eastman. But the year 1895 had a quite different significance for the men who were then trustees. There was grave difficulty with the president, who had lost the confidence of the undergraduates and of many of the faculty. And there was serious trouble in the treasurer's office.

The Finance Committee consisted of Messrs. Sanford, Whitcomb, and James, with the president an *ex officio* member. Sanford had been a member of the committee for nearly twenty years, Whitcomb for ten years, and James for three years. It was an unusually strong committee, and it continued unchanged in make-up until James' death in 1904, when he was succeeded by Charles M. Pratt. Each member of the committee was a man of sound and independent judgment, of long experience in financial matters; and each was fearless in the discharge of his duty as a trustee.

The College was facing a serious deficit from operations, and the death of the treasurer made it imperative that a financial officer be appointed at once in his place. At a special meeting of the Board in September, Whitcomb was unanimously elected to the vacancy to hold office until December 1st. Although Whitcomb was already fully occupied with his personal business responsibilities and his trusteeships of

charitable institutions, he accepted the temporary appointment, and began coming to Amherst from Worcester by train once or twice a week. He was unable to divest himself of the office he had assumed until three years later, in 1898.

An immediate and thorough audit of the college books of account led to the discovery of a serious defalcation by a trusted employee in the office of the late treasurer. The defaulter was Edward Baxter Marsh, a graduate of the College in the class of 1876; and he had used college funds to speculate in stocks. Though no one questioned the personal integrity of Treasurer Dickinson, the Board felt that his laxity in the administration of his office made him subject to serious criticism. It now became Whitcomb's responsibility to secure restitution and to determine whether the College should bring criminal charges. Whitcomb spent many evenings in Amherst trying to work out plans for restitution while still protecting Austin Dickinson's reputation for personal integrity. Mrs. Dickinson was of course deeply distressed. Henry P. Field, '80, of Northampton represented Mrs. Dickinson. The matter was kept entirely secret and I find no reference to it in the files of the College or in the official records of the Board. I have, however, seen a holograph letter dated November 16, 1908 from D. W. Palmer of Amherst, onetime owner of the Palmer Block, to Mrs. Dickinson, reciting that he has settled the matter involving Mr. Dickinson and his estate, the defaulter, the College, and the bank, and asking Mrs. Dickinson to pay him his expenses, amounting to fifty dollars. Mrs. Dickinson paid in three installments. The amount of the defalcation, according to Palmer's letter, was \$5,500. The defaulter, who, by the way, had studied theology after graduating from Amherst and had also served as an instructor on the Amherst faculty for two years, left town and accepted a clerkship in Boston.

Whitcomb quickly tightened up the administration of the treasurer's office. Dickinson had been lax in collecting term bills from students, and although the College was operating with a deficit, there was a large amount of money due from students both past and present. Whitcomb took the position

that no student was in good standing until his term bill was paid or arrangements made with the treasurer's office for deferred payments. This of course made him temporarily unpopular with the students, who had become as casual in meeting their obligations to the College as the treasurer's office had allowed. But the policy instituted by Whitcomb has been continued ever since.

The details of the office Whitcomb put in charge of Charles R. Fay, who was assistant registrar of the College from 1896 to 1900. Fay, familiarly known as "Fatty," had graduated from the College in the class of 1890. Later he became a leading teacher on the staff of Erasmus Hall High School in Brooklyn. The college securities were kept in Boston in the vaults of a trust company, and periodically Whitcomb went to Boston to cut the coupons. He was often accompanied by a son or daughter, who was rewarded for assistance in cutting coupons by a lunch at Parker's or Young's. Securities were bought and sold by the treasurer on his own responsibility, and the Finance Committee was merely a ratifying body. Whitcomb, however, kept closely in touch with Sanford and James, his associates on the committee, with both of whom his relations were close. Whitcomb and James were, in fact, associated in certain business ventures of their own, particularly in the acquisition of large tracts of real estate in Seattle.

While the purchase and sale of individual securities was handled on the treasurer's responsibility, there were vigorous discussions of investment policy both in the committee and with other members of the Board. Whitcomb, supported by James and Sanford, took the position that the College must obtain a larger income from its endowment or else reduce its teaching staff. They advocated the purchase of railway and public utility bonds, and specifically the bonds of street railways which were then being built throughout the country. Such investments then paid from 5% to 6½%. Pratt was insistent that the College's endowment consisted of trust funds and that therefore the only proper investment was U.S. Governments, yielding at the time about 2%. Whitcomb,

James, and Sanford stood firm and the Board supported them. Some losses occurred later as street railways declined. But the increased income brought the budget into balance, and the losses were small. Plimpton, who was outside of the controversy, as he was off the Board from 1895 to 1900, used to say in later life that Whitcomb's policy kept the College from going into a decline.

Whitcomb was at the time one of the largest bond buyers in New England; he bought for himself, for the College, for two large missionary societies, and he was regarded as a shrewd judge of investments and a close buyer. When the two months for which Whitcomb had accepted the treasurership had extended to three years, Whitcomb, who was now engaged in putting together the United States Envelope Company, advised the Board that he could no longer continue as treasurer of the College, and the Board said in effect that they would elect his nominee to succeed him. Whitcomb's resignation became effective on February 1, 1898 and the Board elected Joseph W. Fairbanks to be the fifth treasurer of the College.

Meanwhile, the difficulties of President Gates had reached a point where his continuance in office had become impossible. These difficulties were of the president's own making and had nothing to do with the treasurer's office. A month after Fairbanks took office as treasurer, a special meeting of the Board was held and the president asked for and was granted an immediate leave of absence for reasons of health. He and his family promptly left for England without waiting for commencement and the end of the college year. At the commencement meeting of the Board in 1898, the president's resignation, written in Cambridge, England, was presented and accepted, to take effect a year later at the conclusion of his leave of absence. The College now had a new treasurer, and the duties of the president were distributed between Professors Hitchcock, Olds, and Tyler, who were known as the Triumvirate. A year later George Harris took office as president and the College entered on an era of good feeling after the stormy days of the Gates administration.

Joseph Whitcomb Fairbanks (1841–1903) was born in Ashburnham, Massachusetts, graduated from Amherst in the class of 1866, taught school in Worcester, at Williston Seminary, and, after a few years in business in St. Paul, became principal of Smith Academy in St. Louis. He was fifty-seven years old when he became treasurer, and served five years, till his death in 1903. He was easy-going, though sometimes irascible, and was fully entitled to the sobriquet of “Fatty” as he was dubbed by the students. The only contact I remember having with him during my undergraduate days was a formal note which I received a couple of days before my graduation informing me that I would not be allowed to graduate unless I paid my debt to the College, viz., five cents for a library fine. I paid.

In 1900, during Fairbanks’ administration of the office, a young man was added to the staff with the title of assistant treasurer, who was destined to remain as a financial officer of the College for a third of a century, until his death in 1933. His name was Harry Welton Kidder of the class of 1897. Kidder was born in Northampton, prepared for college at the Northampton High School, and after graduation from college was for one year a student of theology at Yale Divinity School and for the two following years a bookkeeper in the Northampton National Bank. Thereafter his life was spent on the finances and accounts of the College.

In 1903, on the death of Treasurer Fairbanks, the Board elected as his successor Walter Morton Howland. Howland (1840–1911) was born in Conway, Massachusetts, prepared at Williston Seminary, graduated from Amherst in the class of 1863, and was a practicing lawyer in Chicago from 1869 to 1902. He was an alumni trustee of the College from 1895 to 1905. When he accepted the office of treasurer he had retired from practice, and bought the Parnell Munson house in South Amherst, where he lived until his death. As a lawyer he had had long experience in the management of trust estates, he was of course on intimate terms with his colleagues on the Board, he was gentle, humorous and poetic, and uncommonly careful in the expenditure of money. Unhappily,

his mind began to fail and he resigned his office in 1909 after only six years of service. The details of his office he left largely to Kidder. And on his resignation the Board elected Kidder to succeed him. The College thus had had three treasurers in fourteen years.

While treasurers changed, the investment policy of the College continued as before. Whitcomb and Sanford remained on the Finance Committee, and in 1904, on the death of D. Willis James, Charles M. Pratt, who had been a member of the Board since 1897, succeeded him. Whitcomb was now in his sixties, he had been a member of the Board for twenty years and of the Finance Committee for the same length of time. He knew more about the finances of the College than any other person. His three sons had graduated from the College. He was wealthy; the United States Envelope Company which he had formed was developing successfully; and he lived only fifty miles from the College. Pratt was some fifteen years younger. He took seriously his responsibilities as a trustee. He criticised the form of the Treasurer's Report as submitted to the Board. Whitcomb countered by asking Pratt to submit a form for the Treasurer's Report which would meet Pratt's criticism and would more intelligently and accurately indicate to the Board the financial results of the College's operations.

Pratt sent his own auditor, Mr. Isaac E. Hasbrouk of New York, to Amherst to make a comprehensive study of the college accounts. Hasbrouk made a ten-page typewritten report which Pratt sent on to Whitcomb with a covering letter of four typewritten pages dated March 6, 1903. Hasbrouk pointed out that in the previous year the College had shown a surplus of \$12,975, although the Treasurer's Report (Treasurer Fairbanks) reported a loss of \$2,479. The New York auditor called attention also to the fact that "while the dormitories were operated at a profit, the result was that no such profit was allowed to appear as an asset of any kind." "Furthermore," continued Hasbrouk with the directness which characterizes auditors, "if profits were made on the buying or selling of securities, they do not appear as a direct in-

crease in assets but were used to reduce the values of securities on hand."

Among other criticisms, Hasbrouk observes that Notes Receivable and Notes Payable include an item of \$30,860.36, which is the remainder of a note given to the Corporation by the then treasurer for \$38,693.81, and that this is carried as an asset under the heading of "Dormitories, Renovations." "If the present practice is continued," he adds, "in the course of ten or twenty years a meaningless item will have disappeared from the assets and liabilities by a meaningless process."

The Hasbrouk report has a familiar ring to us who were later on the Board. Twenty years later Dwight Morrow sent the auditor of J. P. Morgan & Company to Amherst to examine the books. Kidder kept the college books from 1900 on. His accounting methods were criticised by auditors for thirty years, though no one questioned his integrity. But no auditor, no Finance Committee was able to change Kidder's informal methods of keeping the college accounts. Kidder read the reports, listened to the comments of Finance Committees, and went on in his accustomed ways. Finance Committees finally had to recognize the implicit situation which confronted them; their only adequate recourse was to remove Kidder, and he was too useful to be removed. He did an amazing amount of work, he was underpaid, he was honest, and he was stubborn. To have proper accounts would have cost the College a substantial increase in the budget of the treasurer's office, and this would necessarily have reduced the budget for the educational side of the College. It was not until 1932 that the accounting practice of the College was overhauled throughout, and a proper set of accounting books opened with proper control of accounting practice. By that time the large increase in the college endowment, the Folger Fund, and other factors made imperative a change in the treasurer's office and a new treasurer.

We must now examine the college portfolio in this decade. Here is the comparative statement in summary:

1875	Total, excluding Charity Fund	\$ 584,845
1882	Total, excluding Charity Fund	913,331
1892	Total, excluding Charity Fund	1,225,184
1903	Total, excluding Charity Fund	1,671,066

The endowment has shown an increase in the decade of nearly half a million dollars, or 36%. The increase in the preceding decade was 33%. The two largest additions to the permanent funds of the College in the decade were:

1901 Endowment Fund of \$100,000 given by more than a score of alumni and one non-alumnus. D. Willis James gave one-half, \$50,000. Charles M. Pratt gave \$25,000. John W. Simpson gave \$5,000. There were eight gifts of \$1,000 and the rest were smaller. The income was to be used for professors' salaries.

Special Endowment Fund No. 2. \$65,000. Established in 1901 and increased in 1902 by William H. Moore, '71, of New York. The income from \$40,000 to be devoted to the salaries of associate professors and instructors, and the income from \$25,000 to be used for scholarships. Mr. Moore (1848-1923) was a practicing lawyer in Chicago, promoted the Diamond Match Company and the American Tin Plate Company, made a large fortune, and was a director of numerous corporations. Six years after his death his widow and two sons gave the College the Moore Laboratory of Chemistry in his memory, together with an endowment of \$250,000 for the building.

In addition, the College received in 1898 a generous bequest amounting to \$46,000 under the will of Amos R. Eno of New York, without restrictions as to the use of principal or income. Mr. Eno (1810-1898) was born in Simsbury, Connecticut, and had only a common school education. After a short apprenticeship in dry goods houses he went to New York at the age of twenty-three and with his cousin founded the firm of Eno and Phillips, which became a leading dry goods firm. In 1850 the firm was dissolved, and Eno went into the real estate business, developing sections of the city in the vicinity of City Hall. He built the Fifth Avenue Hotel, which became one of the leading hotels of the city. To his native town he gave the Town Library and the main build-

ings on the Town Farm. What stimulated his interest in Amherst we do not know.

The Sidney Dillon Fund of \$25,000 was established in 1894 by two daughters and two grandsons of Sidney Dillon, with the provision that the income should be used toward the salary of the professor of astronomy. One of the daughters, Cora, was the wife of Peter B. Wyckoff of the class of 1868, who became a practicing physician and later a stock-broker in New York. Sidney Dillon (1812–1892), in whose memory the fund was established, was one of the leading figures in the middle of the last century in the construction of American railways. The son of a poor farmer in New York state, he began work at seven as a water boy on the Mohawk & Hudson Railroad from Albany to Schenectady. Later, he became a foreman on railroad construction projects in New England. Finally, he went into business for himself, built a section of the Boston & Albany in 1840, and during the next thirty years built thousands of miles of railway. One of his contracts was for the construction of the tunnel under Park Avenue to Grand Central Station, undertaken for Commodore Vanderbilt. His greatest enterprise was the construction of the Union Pacific, with which he became associated through the purchase of large blocks of stock of Credit Mobilier. He was twice president of Union Pacific and at the time of his death he was chairman of the Board. He was closely associated with Jay Gould in many of his enterprises. His wife was Hannah Smith of Amherst. He was engaged in the revision of his will when he died; and his children and grandchildren made a number of charitable gifts from their inheritance in order to carry out the program he had in mind in the draft of a new will.

In 1897 the College received the Pratt Health College Fund of \$32,000 from three Pratt brothers: George of the class of 1893, Herbert of the class of 1895, and John of the class of 1896. The income was to be used for the maintenance and operation of Pratt Health Cottage which they had just given to the College. It is now used for the maintenance and operation of the College Infirmary. It is to be

noted that this gift was made at a time when these young men were just out of college, and before they had received their shares of their inheritance. They all later became wealthy men, and their generous gifts to the College continued throughout their lives. How they secured funds to make this generous gift to their alma mater I have not been able to find out.

Another gift to the College in this decade was the William S. Tyler Memorial Fund of \$25,000 given in 1902 by Mason W. Tyler of the class of 1862 in memory of his father who had graduated in the class of 1830 and served on the faculty until 1893, and who, in addition, had rendered a service of great usefulness by writing the history of the College at its semicentennial and revising it for publication when the College celebrated its seventy-fifth anniversary. The income is to be used for the purchase of books, maps, etc., for the college library. Mason W. Tyler, the donor, had served in the Union Army as a young man, practiced law in New York for a third of a century, served as alumni trustee of the College from 1901 to 1907, and held the office of governor of the state of New Jersey.

While the endowment had increased during the decade some 36%, the distribution of investments had made marked changes. Notes Receivable, which was the largest item in 1892, representing 37% of the total, had dropped to 8%; Railroad Bonds had risen from 24% to 31%, Bank Stocks from 3% to 9%; Manufacturing Stocks of \$32,000 were almost unchanged in amount, though lower in percentage. Bonds and Notes Receivable now amounted to 71%, compared to 81% in 1892.

In 1892 the College had Notes Payable of \$50,000. In 1903 Notes Payable stood at \$29,000 and the following year this disappeared completely from the Balance Sheet. By 1903 the General Gain and Loss Account was in the red by the amount of nearly \$40,000.

A significant change had occurred since 1892. The Treasurer's Report was now printed for distribution in a twelve-page leaflet. Previously the printed report had given only a

summary of income and expense, but no balance sheet, no report of purchases and sales, and no list of gifts received. The new type of report did not include a list of the investments of the College, but, except for this, it did give a reasonably comprehensive picture of the finances of the institution. It was unsigned and did not include a copy of the auditor's certificate.

Chapter Seven

HARRY W. KIDDER

Assistant Treasurer 1900–1909

Treasurer 1909–1931

Comptroller 1931–1933

Harry W. Kidder became the seventh treasurer of the College in 1909, but the actual transfer of the responsibility had been taking place gradually as the health of Mr. Howland failed. When Kidder received his formal election by the Board, he was already carrying most of the important work of the office, and the Board's action ratified what had already become a fact. The significant change in the management of the college finances had taken place two years earlier, in 1907. John E. Sanford died in October, at the age of seventy-seven. A graduate of the College in the class of 1851, he had been an influential member of the Board for thirty-three years, a member of the Finance Committee for nearly thirty years, and president of the Board for eight years. And for a quarter of a century he and Whitcomb had worked closely together on the problems of the finances of the College. D. Willis James, who had been associated with them on the committee, had died three years earlier. These men had worked easily and informally. There is no record of any formal meetings of the committee to consider investment policy. Whitcomb was the dominant member of the committee, as we have seen, and exercised the primary responsibility. Policy was made in Massachusetts, as it had been since the founding of the College.

In 1907 two New York men were added to the committee,

John W. Simpson and Arthur Curtiss James. Charles M. Pratt continued as a member and Whitcomb continued as chairman. But the weight of the committee was now centered in New York for the first time. Simpson and James had both been elected to the Board in 1904, the latter to the life Board, the former as an alumni trustee. In addition, George A. Plimpton of New York, who had been an alumni trustee from 1890 to 1895, had been made a life trustee in 1900, and in 1907 was chosen president of the Board to succeed Sanford. In 1908 the Finance Committee at its own motion elected Plimpton to the committee, thus giving New York four members to one in Massachusetts.

Arthur Curtiss James was elected to the Board in 1904 to succeed his father. Born in New York City in 1867, he graduated from the College in the class of 1889. He inherited one of the large fortunes of the country, became the largest individual stockholder in American railways, a director and large stockholder in Phelps Dodge & Co., a director of the First National Bank of New York, and of many other corporations, a trustee of numerous charities, and a member of a large number of organizations. James was a member of the Board from 1904 till 1938. When failing health made it impossible for him to attend meetings, the Board elected him trustee emeritus. He died in 1941.

It is interesting to observe the change in emphasis, and sometimes in direction, which may result from the addition of one new member to a small Board like the Amherst Board. Often a new man is added to the Board and no change occurs in the center of gravity, nothing new is added. But, occasionally, the addition of one new trustee results, in time, in profound changes within the Board and in its action. John W. Simpson is an example. John Woodruff Simpson (1850-1920) was one of the ablest men on the Board. Born in Vermont, he graduated from the College in the class of 1871, and was a practicing lawyer in New York City from 1873 until his death. He founded and was the senior member of the firm of Simpson, Thacher and Barnum, which later became Simpson, Thacher and Bartlett. Dwight W. Morrow, '95, and

Niel A. Weathers, '98, later became partners in the firm. After Mr. Simpson's death, his widow and daughter joined in founding the John W. Simpson Foundation at the College, with a gift of \$150,000.

I never knew Mr. Simpson personally. He was evidently a man of very great personal charm, wide contacts, shrewd judgment, and incisive action. He was devoted to Dwight Morrow, and Morrow always spoke of him with deep affection and almost with veneration. One of our alumni who was once a law clerk in Mr. Simpson's office writes me, "I should doubt very much if anybody other than Mr. Simpson was the leader on any committee of which Mr. Simpson was a member." Simpson married Miss Kate Seney, "as blue a blood as any in the land, and with family connections, both wealth and social, which became an important source of the clientele of her husband's firm." Mrs. Simpson inspired awe even in the wife of a Morgan partner. I called on her once toward the end of her life in her beautiful New York home; to me she seemed a great lady of an earlier day.

Mr. Simpson was a lawyer of the new type, the head of a large firm which numbered many of the great corporations of the country among its clients. His firm and the other leading New York firms of the day were the product of the change in the business methods of the country which had been developing with the rapid growth of large corporate enterprises. And Simpson was the first lawyer of this type to be elected to the Amherst Board. As a member of the Board from 1904 to 1907, he was not responsible for the procedures used by the Finance Committee in the exercise of their responsibility for the purchase and sale of securities for the college account. When he became a member of the committee, it was natural for him to take seriously his new responsibility and to suggest that the procedure which had before been informal be regularized by frequent formal meetings of the committee. With four members in New York and only one in Massachusetts, it was natural that the meetings be held in New York and he offered his office as a convenient meeting place. Beginning in 1908, the Finance Committee held regu-

lar meetings at the Simpson offices at 62 Cedar Street, and formal minutes of the meetings were kept and placed on file. Four meetings were held in 1908, eight in 1909, ten in 1910, and ten in 1911. Kidder came down from Amherst to each meeting and kept the minutes. If only Simpson and Kidder were present, the meeting was canceled, but Simpson went over with Kidder the matters to be considered.

One of the first matters to be regularized involved access to the vaults in the Boston Trust Company where the College's unregistered securities were kept. For half a century the treasurer had had access and so had one member of the Finance Committee, in the early days Henry Edwards and later Whitcomb. In 1897 the Board had voted that the formal custody of the securities rested with the Finance Committee; this meant, in effect, with Whitcomb. In 1905 Plimpton raised the question of the custody of the securities at the autumn meeting of the Board, and suggested that current procedure was not in accord with the best modern practice. The matter was referred to the Finance Committee. In 1908 the Finance Committee voted that access to the vault should be limited to the treasurer in company with Kidder or in company with a member of the Board. And at the same meeting Plimpton was asked by the committee to make inquiries as to the cost of having the securities handled by a trust company in Springfield. In 1909 the committee settled the matter for the present by voting to deposit the unregistered securities with the City Trust Company of Boston; the trust company would collect and transmit the income and charge 2½% of the income for their services. The following year the City Trust Company was absorbed by the Old Colony Trust Company, which continued the service to the College. Registered securities were apparently kept by the treasurer in his office in Walker Hall, for in 1913 we find the Board passing a resolution that pending further action of the Finance Committee, the treasurer be instructed to transfer the securities from Walker Hall to a box "in one of the banks in Amherst" with access by the treasurer and president or dean or a nominee of the Finance Committee.

At the monthly meetings in New York the purchase and sale of securities was discussed and each transaction recorded in the minutes. At the meeting in March 1910, only Simpson and Kidder of the committee were present, and the meeting was postponed. Note, however, is made in the minutes that Simpson had brought Morrow to the meeting to report on a matter he had investigated for the committee. And from then on, Morrow appears from time to time in the minutes of the committee as in attendance for a similar purpose.

At a meeting in 1911 the claim of the Sears heirs for \$69,-457.84 was discussed, and the committee voted to retain Arthur Wellman, Esquire, of Boston to represent the College.

Perhaps the most spectacular tragedy in American finance in this period was the gradual collapse of the credit of the New Haven Railroad and the decline in the market value of its securities. As Charles M. Pratt was a member of the Amherst Board and a director of the New Haven, it is interesting to see how the college finances fared. For New Haven stock had held a pre-eminent position for a generation as an investment for trust funds and for "widows and orphans." It was held in much the same regard as the stock of American Telephone is held today. Its dividend record was impressive. It had paid 10% every year but one from 1873 to 1895, and since 1896 it had paid 8%. In 1903, Charles S. Mellen was elected president of the road. His election was widely acclaimed; he was New England born and had spent most of his life in the employ of New England railroads before going west to head the Northern Pacific. The elder Morgan brought him back to the presidency of the New Haven, which was regarded as the best road in New England. Mellen then began, with the support of Morgan, to acquire the trolley lines, the boat lines, and the competing railroads in New Haven territory, and to extend New Haven territory to take in most of New England. Control of the Boston & Maine was acquired, and arrangements made with New York Central for joint control of the Boston & Albany, which had been leased to New York Central about 1900. It was obvious that New Haven under Mellen and Morgan intended to

acquire a monopoly of public transportation in New England territory.

In 1907, Louis D. Brandeis of Boston, later Mr. Justice Brandeis, published a pamphlet in which he vigorously opposed the New Haven program and in which he attempted to prove that the New Haven Railroad had grievously undermined its own credit position by its enormous expenditures made in carrying out its purchases. One of the most bitter fights of the century developed. It was carried on in the press, in public debates, before committees of the Massachusetts legislature, and finally before the Interstate Commerce Commission. In 1910 John E. Oldham, '88, a Boston investment banker who had made penetrating analyses of the credit of various railroads, made a thorough study of New Haven for his clients. He advised them that New Haven stock, which had sold as high as 250, was not worth over 80. No publicity was given to his findings. In 1913 Joseph B. Eastman, '04, later a trustee of the College and the most distinguished member of the Interstate Commerce Commission, joined Brandeis in the attack. Eastman at the time was secretary of the Public Franchise League of Boston. New Haven stock, which had sold for 250 and over, dropped from year to year. In 1910 it reached a low of 149; in 1913, a low of 65; and in 1917 it dropped to a low of 21. In 1913 it was forced to reduce its dividend to 7½%; in 1914 it paid 1½%; and from 1915 it paid no dividends until 1928. In 1935 it was in bankruptcy.

In March 1913 the elder Morgan died. In July of the same year Mellen resigned as president of both the New Haven and Boston & Maine. It took years to unscramble the corporate tangles involved. Criminal action was brought against the directors by the Federal Government, and the directors were convicted and fined. Charles M. Pratt resigned from the New Haven Board and was succeeded by his younger brother John. The so-called "New Haven crowd" considered Brandeis a wrecker, and the financial papers, which received large advertising contracts from the New Haven, joined in the cry. A professor at the Harvard Law School, who had

been one of my teachers there, was discovered to be on the payroll of the New Haven, together with his father and brother, and was promptly dismissed by Harvard from his faculty post. Personally, I took no part in the fight, though I immediately sold the small block of New Haven belonging to my wife. I had, however, a ringside seat, as I was closely associated with Brandeis at the time in other matters, while many of my social acquaintances, as well as most of my family, belonged to the New Haven group in sympathy. I have no doubt that the fight cost Charles M. Pratt his health, and ultimately his reason. And I suppose there is no question that he had large blocks of New Haven stock in the family trusts from which great losses were suffered. Yale University was also a large stockholder, and its president, Arthur T. Hadley, who was a scholar in the field of political science, was for many years a New Haven director.

Did Charles M. Pratt, director of New Haven and member of the Finance Committee of Amherst, persuade his colleagues on the committee to invest college funds in New Haven securities? It seems abundantly clear that he did not.

In 1908 the College owned eight shares of New Haven at a book value of \$1,000, which it had acquired in the Gaylord Fund some years earlier. It owned \$3,000 New Haven Convertible 6s of 1948 at a book value of \$3,799 and two years later it bought \$7,000 more at 133¼ at a meeting of the Finance Committee at which Whitcomb, Plimpton, and James were present, but Pratt was absent. In addition, the College owned small blocks of Old Colony Railroad and Providence & Worcester, both leased lines of the New Haven with their dividends guaranteed by New Haven. The College acquired its first stock in Old Colony (then Old Colony & Newport) before 1875; and its first investment in Providence & Worcester is at least as far back as 1894. Both Old Colony and Providence & Worcester were considered sound investments with the guarantee of New Haven.

The College sold its 20 shares of Providence & Worcester in 1925 for \$3,631, at a loss of \$3,368. It sold its 250 shares of Old Colony in 1935-36 for \$16,183, at a loss of \$9,648. It sold

its 20 shares of New Haven in 1920 for \$643, at a loss of \$1,606. Pratt's record as a member of the Amherst Finance Committee seems to be clear beyond question, and the College's losses were relatively small when one considers the size of its portfolio at the time and the high standing which New Haven securities held in the minds of investors. Most of Brandeis' criticisms of New Haven were supported by the record when all the facts were known, but Brandeis was a lonely figure in the fight and almost the entire financial community supported the New Haven position.

We must now examine the Treasurer's Report of 1912, which has been expanded to a pamphlet of sixty-two pages, with an index, and is mailed to the alumni each year as an issue of the Amherst College Bulletin.

For the first time it includes a formal balance sheet. The total assets of the College are stated at \$3,699,113.07. Plant Assets are \$1,050,731, which excludes dormitories at \$60,000, and other real estate in Amherst \$27,000, which are carried as investments of trust funds. The endowment representing the portfolio, dormitories, and other real estate in Amherst, and real estate in Boston, in addition to cash of \$654 awaiting investment, comes to a total of \$2,629,509. The deficit, representing the excess of liabilities over assets on the balance sheet, is \$24,359.

Here is a comparison with previous decades:

1875	Total, excluding Charitable Fund	\$ 584,845
1882	Total, excluding Charitable Fund	913,331
1892	Total, excluding Charitable Fund	1,225,184
1903	Total, excluding Charitable Fund	1,671,066
1912	Total, excluding Charitable Fund	2,629,509

The endowment has shown an increase in the decade of nearly a million dollars, or 57%. The increase in the preceding decade was 36% and in the decade before that, 33%. The Charity Fund, not included in the above totals, has now risen to \$95,000.

Seven large additions to the permanent funds of the College had been received in the decade:

The Biological and Geological Laboratory Maintenance Fund. Established in 1907. The sum of \$150,000 was raised for the construction and maintenance of the laboratory; of this amount, the Board set aside \$50,000 as a permanent maintenance fund. The largest donors were Andrew Carnegie, \$75,000, D. Willis James, \$20,000, Charles M. Pratt, \$15,000, John M. Simpson, \$10,000, and Mortimer L. Schiff, \$10,000. This was a project initiated and developed by Mr. Plimpton, who secured the gift from Mr. Carnegie conditioned on the College's raising an equal amount.

The Edward West Currier Fund of \$232,842.94 received in 1908 by bequest of Edward West Currier of the class of 1865, both principal and income unrestricted. And the *Edward West Currier Library Fund* of \$10,000 by similar bequest, the income to be used for the purchase of books for the college library. Edward West Currier (1841-1907) was born in New York City, attended Harvard for one year, transferred to Amherst and graduated in the class of 1865. On graduation, he joined the firm of Currier and Ives of New York, became a partner a year later and continued with this firm until his death. His classmate, James L. Bishop of the New York Bar, represented the College in the settlement of the estate. His alma mater was his residuary legatee.

The D. Willis James Legacy of \$95,250 received in 1908 by bequest of Mr. James, with no restrictions.

The Edward A. Crane Library Fund of \$35,042.88 received in 1909 by bequest of Edward Augustus Crane of the class of 1854, the income to be used for the purchase of books "recording or treating facts of observation and experience, the inductions from them, and their application in the service of man." Dr. Crane (1832-1906) prepared for college at Phillips Academy, Andover, graduated from Amherst in 1854, and from Harvard Medical School in 1857. He practiced his profession for four years in Providence, served for three years on the U.S. Sanitary Commission, and then went abroad. With Dr. Thomas Evans he organized the American Ambulance in the Franco-Prussian War. With Dr. Evans he planned and carried out the escape of the Empress Eugénie. The rest of his life was spent in Paris, where for many years he published the *American Register*.

The Clyde Fitch Memorial Fund of \$20,000 established in

1911 by gift from Mr. and Mrs. W. G. Fitch of New York, the parents of Clyde Fitch of the class of 1886, as a memorial to him. The income is to be used for the furtherance of the study of English Literature and Dramatic Art and Literature. Clyde Fitch (1865-1909) was born in Elmira, New York, graduated from Amherst in the class of 1886, and became the best known playwright of his time. His study has been incorporated in Converse Memorial Library.

The John S. Kennedy Fund of \$90,000 received in 1911 by bequest of John Stewart Kennedy of New York, without restrictions. John Stewart Kennedy (1830-1909) was born in Scotland and entered the iron and coal business in Glasgow. At twenty-six he came to the United States at the invitation of the New York banking firm of M. K. Jessup and soon was a partner. Later he established his own firm of J. S. Kennedy & Co. and became one of the foremost financiers of the country. He was closely associated with James J. Hill in the building of the Hill railroads, was a director of Union Pacific, and was a member of the syndicate which entered into a contract with the Canadian government for the building of the Canadian Pacific. In 1883 he retired from business and devoted his time and energies to philanthropic enterprises, including Columbia University and Robert College. Half of his estate of sixty-seven million he left for public purposes. Amherst was one of forty-six institutions to receive a bequest of \$100,000, doubtless due to the persuasive suggestions of George A. Plimpton, who was associated with him on various charitable boards. And Mr. Plimpton represented the College at the memorial service held in New York in November 1909.

The Salary Fund (1911 Endowment) of \$401,000 established in 1911 by gifts, the income to be used for the salaries of professors and instructors. The donors were Mrs. D. Willis James, \$100,000, Arthur Curtiss James, \$100,000, General Education Board, \$75,000, George A. Plimpton, \$50,000, four Pratt brothers, \$50,000, Mortimer L. Schiff, \$15,000, William H. Moore, \$10,000, and Frederick W. Whitridge, '74, \$1,000. This too was a project of Mr. Plimpton's.

While the endowment has increased during the decade by 57%, the distribution of the portfolio has also changed. Notes Receivable, which a score of years before represented 37% of

the total, and ten years before 8% of the total, have now dropped to 1%. Railroad Bonds have risen from 31% to 35%. Miscellaneous Bonds have risen in the decade from 26% to 38%. Bank Stocks have dropped from 9% to 5%. Manufacturing Stocks have dropped from \$32,000 to \$9,000. The New England textiles are being liquidated rapidly. During the year, for example, the College sold its Bigelow Carpet at a profit of \$7,500, or nearly 100%; its Merrimac at a loss of \$2,000, or 50%; its Pepperell at a profit of \$6,700, or over 200%.

During the year the gains on the sales of securities amounted to some \$39,000, the losses to \$4,000, showing a net gain of \$35,000.

There is also a wider distribution within the categories. Most of the individual investments are in blocks of ten to fifteen thousand dollars. The only very large blocks are Northern Pacific stock at \$98,000, Great Northern Preferred at \$80,000, and First National Bank of Chicago at \$48,000. The Great Northern and Northern Pacific were gifts from the Jameses; the First National Bank of Chicago was received from Rufus B. Kellogg.

Deposits in the Amherst Savings Bank now amount to \$17,000, on which the College receives 4% interest.

Bonds, notes, and cash now amount to 76%, as compared with 71% in 1903; equities at 17%.

The excess of liabilities over assets, that is to say, the deficit, stands at \$24,359, as compared with \$39,487 in 1903; an improvement of \$15,000.

This is not, however, a true picture. For in November 1906 the Finance Committee cleared certain debit and credit accounts. The facts appear in the 1907 Report of the Treasurer. An accumulated deficit of \$49,110 was charged off, partly (\$34,783) to the Gain and Loss Account on the purchase and sale of securities, and the balance to the Fayerweather Legacy, which was unrestricted. And a year later a loss of \$21,719 on the investment account was charged off, some \$18,773 to the Fayerweather Legacy and \$2,946 to the General Treasury Fund.

The year 1912 had a significance in the finances of the College which was not recognized at the time. President Harris retired after a service of thirteen years, and the Board elected Alexander Meiklejohn to succeed him. The faculty were not officially consulted by the Board, and perhaps for this reason they sent a round-robin letter to the Board, written in the beautiful hand of Professor Genung, recommending Frederick J. E. Woodbridge, '89, as their choice. Woodbridge was then professor of philosophy at Columbia University. A covering letter indicated that the majority of the faculty would support George D. Olds, then dean of the College, but it was understood that he was not a candidate. Harlan Fiske Stone, '94, wrote a discriminating letter suggesting two names for the presidency: Woodbridge and Dwight W. Morrow. And Arthur Curtiss James, a classmate and close friend of Woodbridge, told him privately that if he were elected he (James) would provide him with all the money he needed to develop the College. It is interesting, and of course fruitless, to speculate on what the results for the College would have been if the Board had elected Woodbridge, and Arthur James had made available to him whatever financial help he asked for.

The Board elected Rush Rhees, '83, then president of the University of Rochester, who declined the appointment and chose to remain at Rochester, where his friend George Eastman later placed his great fortune at the disposal of the university. The Amherst Board then passed over Woodbridge and Morrow, as well as Alfred E. Stearns, '94, then headmaster of Phillips Academy at Andover, and elected Alexander Meiklejohn, then dean of Brown University. Meiklejohn's name was first proposed to the Amherst Board by John Franklin Jameson, '79, the distinguished historical scholar, who had formerly been a member of the Brown faculty and was now director of the Department of Historical Research at the Carnegie Institute in Washington. Jameson was a classmate and close friend of Charles M. Pratt of the Amherst Board and a friend of Plimpton's. When Meiklejohn's name was proposed, however, none of the Amherst Board

had any personal acquaintance with him, and he in turn knew little about Amherst.

President Meiklejohn was inaugurated in the autumn of 1912, and administered the College for eleven years. The College had operated at a deficit of some eighteen thousand dollars in the last year of President Harris. President Meiklejohn was unable or unwilling to take the steps necessary to balance the budget and continued for nine years to operate at a deficit. The Auditor's Reports show the following deficits:

1912	\$18,488	1917	\$29,924
1913	35,620	1918	17,977
1914	29,311	1919	8,992
1915	32,910	1920	44,105
1916	31,993	1921	81,734

To meet these deficits the College borrowed money. It borrowed from the First National Bank of Amherst, and then from the United States Trust Company of New York. In 1913 it owed the latter bank \$50,000. By 1915 its loan from the United States Trust Company had risen to \$120,000, by 1917 to \$140,000, and two years later to \$160,000. The interest rate was at first 4% and later 3½%. The loans were arranged by Arthur Curtiss James at the request of the Finance Committee. In 1920 the College began paying off the loans from its receipts on the Sage bequest. A century before, the College was embarrassed by debts of \$30,000. Now its credit was of the best; it had a large and sound portfolio; it could borrow in the New York market at a low rate of interest. Its Board of Trustees included several New York men of large fortune. But by operating at a deficit for more than a decade, it was consuming its capital, and drastic action would have to be taken. The net accumulated deficit of these years reached a total of \$321,195.

I have often wondered why the president himself did not take the steps necessary to bring the budget into balance, even though such steps would necessarily have been disagreeable. And I have wondered why the Board did not

force him to balance his budget. One reason was that World War I was in progress during part of the period. Another doubtless was that the Board had other problems with the president which were gradually mounting toward a crisis.

Meanwhile, the College was receiving from generous alumni and friends substantial additions to its permanent endowment. The first large gift received after the inauguration of President Meiklejohn was a fund of \$100,000 to establish a professorship of economics to be named the George Daniel Olds Professorship. The donor requested that he remain anonymous, and his wishes were of course respected. I now have his permission to disclose his identity. This generous gift was the first of many made by Frank Lusk Babbott, Jr., who had graduated from the College only the year before, in the class of 1913. The professorship was named for Dean Olds, who had won the deep affection, as well as the profound respect, of the donor. Two years later, in 1916, Babbott gave another fund, which is called on the college books the Dana Street Property Fund, and which stands on the books at the nominal value of \$32,000. The president of the College was having difficulty in finding satisfactory living accommodations for the new men he called to the faculty. Babbott bought several house lots on Dana Street and built three excellent houses suitable for faculty residences. In addition, he built a more elaborate house on the east side of South Pleasant Street as a faculty residence. All four were deeded to the College. The house on South Pleasant Street was later moved to Hitchcock Road to make way for the Alumni Gymnasium.

When the Converse Memorial Library was built, Babbott furnished the seminar rooms for the departments of economics and political science. And in 1920 he gave a fund of \$80,250 to establish the Amherst Memorial Fellowships, to perpetuate the memory of the Amherst men who had given their lives for an ideal. The income of this fund is used for the support of fellowships to promote the study of social, economic, and political institutions. The fellowships are awarded annually by the Trustees on the recommendation of the Fac-

ulty Committee on Fellowships. Of late years, with the approval of the donor, one fellowship is awarded each year to a member of the graduating class of Williams, Wesleyan, or Bowdoin; the others are awarded to graduates of Amherst.

Frank Lusk Babbott, Jr., '13 (1891–) is the son of Frank L. Babbott, '78, and Lydia Richardson Pratt, a sister of the Pratt brothers. After graduating from Amherst, he took his medical course at Columbia and his internship in hospitals in New York. Thereafter, he was on the faculties of the medical schools of Johns Hopkins and Yale and Long Island College of Medicine. In 1931 he became president of Long Island College of Medicine. On his retirement some years later for reasons of health, he became chairman of its Board of Trustees. In 1933, on the twentieth anniversary of his graduation, he received from his alma mater her highest honorary degree. On his father's death in 1933, the Long Island College of Medicine and associated hospitals received one-half of the estate.

In 1916 the College received a gift of \$100,000 to establish the Rufus Tyler Lincoln Professorship of Biology. This generous gift was made by Mrs. Caroline Tyler Lincoln, a daughter of Wellington H. Tyler of the class of 1831, and a niece of Professor William S. Tyler of the class of 1830, as a memorial to her son, Rufus Tyler Lincoln. Mrs. Lincoln was the widow of Dr. Rufus P. Lincoln of the class of 1862. Dr. Lincoln (1840–1900) was born in Belchertown, prepared for college at Williston and Exeter, and served in the Union Army. He had been promoted through grades from second lieutenant to colonel. After his medical course at Harvard, he practiced in New York as a throat specialist.

In 1918 the College received the Richard B. Sewall Fund of \$30,000 under the will of Mr. Sewall, who had made a fortune in Boston in the Sewall Day Cordage Company and later in cotton manufacturing. He left his fortune to a number of colleges, with the residue going to Harvard and Yale Universities.

And in 1918 the College received what is called the 1918

Endowment Fund of \$653,411.85, given by seventeen alumni and one friend of the College, with the provision that the income be used for the salaries of the faculty. The largest donor was Arthur Curtiss James, with a gift of \$336,411.85. Messrs. Simpson, Plimpton, Morrow, and each of the six Pratt brothers gave \$25,000. The class of 1884 gave \$25,000, and William H. Porter gave the same amount. William H. Porter (1861–1926) was a partner of Morrow's in J. P. Morgan & Co. and made the gift because of his affection for Morrow. He himself had had only a common school education and a short stay at Saratoga Academy. Before joining the Morgan firm he had risen to the presidency of the Chemical National Bank in New York, and was a director in other corporations.

In 1920 the College established the Margaret Olivia Sage Fund from payments made during this and the following years from the estate of Mrs. Sage. Altogether, the College received a total of over six hundred thousand dollars from this source. Mrs. Sage was the widow of Russell Sage, an almost legendary figure of the last century. Sage (1816–1906) was born in a covered wagon in upstate New York while his parents were en route from Connecticut to Michigan. He was brought up on a farm, attended school winters, and began his business career as a clerk in his brother's grocery store in Troy, New York. For twenty years he was a wholesale grocer in Troy; he served as alderman, and went to Congress for one term. Then in 1863 he moved to New York and engaged in buying and selling "privileges" in Wall Street. He became an ally of Jay Gould and a figure in the railway world. He promoted the Chicago, Milwaukee & St. Paul and was for many years a vice-president. As he grew older he became more conservative and loaned his money on call in Wall Street. At one time he had \$27,000,000 out on call. His frugality became proverbial. When he was an old man a bomb was exploded in his office by a blackmailer. The blackmailer and a confidential clerk of Sage's were killed, but Sage recovered and lived to be ninety. He left a fortune of \$70,000,000 to his wife. She was as generous as he was penurious. On her

death the estate went to a large number of colleges and to the Russell Sage Foundation.

As I grew up in Troy, I heard stories about Russell Sage as a boy. Doubtless most of them were apochryphal. The one I enjoyed most was the story of an acquaintance meeting Sage walking down Sixth Avenue in New York under the elevated railway, in which he was a large stockholder. The acquaintance asked him why he was walking, and Sage replied that he had forgotten his pass and so was saving five cents. The acquaintance suggested that if he walked down Fifth Avenue he would save ten cents.

Meanwhile, the Finance Committee was meeting regularly to review the portfolio. We have seen that the College began the acquisition of New England textile stocks in the middle of the last century. Most of them had come to the College from time to time by gift or bequest. By 1900 we had a substantial investment in this category. During the early years of this century textile mills in the South were developing and each year were offering increasing competition to the older mills in New England. The southern mills were equipped with the most modern machinery, labor costs were lower, the cost of living was lower. The Finance Committee was of course aware of these facts and in 1912 began the liquidation of its textile stocks. Its sales were concentrated in the years 1912, 1916, and 1920. The College's books of account indicate that the College made gross profits of \$24,000 and gross losses of \$3,000, with a net gain of \$21,000 in the price it realized above the value at which the stocks were carried on the books. An excellent record.

Important changes were taking place in the Finance Committee. Whitcomb withdrew from the Finance Committee because of illness in 1914, after a service of thirty years, and Simpson was elected chairman. He had for some years been the dominating member of the committee, as we have seen, and most of the meetings had been held in his New York office. Plimpton, Pratt, and James continued on the committee. In 1916 Whitcomb died and Dwight Morrow was elected to the Board and added to the Finance Committee. A few

months later the country was at war, and a few months afterwards Morrow went abroad as a member of the American Shipping Mission and a civilian member of the staff of General Pershing. Simpson had secured his advice on investments from the Chase National Bank and we have in our files a number of their letters which he presented to the Finance Committee and had embodied in the minutes. From time to time, as we have seen, he brought Morrow, his partner, in to advise the committee on special matters.

The first account the College had with Morgan was in 1916 when Morrow authorized J. P. Morgan & Co. to debit an account in the name of Amherst College in the sum of \$1,965.16 to pay certain charges on Pere Marquette securities then in process of liquidation. Morrow was handling the college investment in this road for the Finance Committee. The next year an account entitled "Amherst College Fund, Dwight W. Morrow Treasurer" was opened on April 20, 1917, and closed the following year. I have secured a photostatic copy of the ledger sheets of this account from J. P. Morgan & Co. The account covers the 1918 Endowment Fund which we have discussed. The account is credited with the subscriptions to the fund and debited for the cost of the securities bought by Morrow with the approval of the Finance Committee for investment. The final entries are for the insurance and shipping charges on the securities shipped to the College and the payment of the small balance to H. W. Kidder, Treasurer. After the war the College transferred its principal deposit account to J. P. Morgan & Co. and its securities were bought and sold through the Morgan bank.

We have seen how important a factor in the finances of the College the election of President Meiklejohn had proved to be. The election of Morrow to the Board in 1916 to succeed Dean Wilford L. Robbins, '81, was, I believe, the most important fact in the financial history of the College since President Hitchcock had saved the College from extinction some seventy years earlier. Morrow's services to his alma mater had already been important. His service as trustee from 1916 until his death in 1931 was unique. Others have been larger

benefactors in pecuniary gifts to the College; others have been as devoted and tireless in their work for Amherst. But no one since Hitchcock has made a contribution as significant and as essential as Morrow was able to make. And no alumnus within my memory has had the affection and the confidence and the respect which were accorded to Morrow by his fellow trustees and alumni of all ages. If I may use a phrase of Professor Genung, Morrow's election to the Amherst Board was "providential." We are dealing now only with the history of the endowment of the College. And though Morrow's contribution in this aspect of the College was large, it was not perhaps his most important contribution to Amherst.

Morrow's ability was great. He was the ablest man I have ever been privileged to know. But his human understanding was as great as his ability. And he was completely unspoiled. He remained to the end of his life as simple, as warm-hearted, as human, in the widest sense of the word, as he was when he endeared himself to his classmates as an undergraduate. He was born in Huntington, West Virginia, in 1873 and died at his home in Englewood, New Jersey, in 1931, at the age of fifty-eight. His boyhood was spent in Pittsburgh, where his father was superintendent of schools. Morrow wanted to go to West Point, but the congressman from the district refused to consider him for appointment inasmuch as his older brother, Jay, was already a West Point cadet appointed from the district. Through the interest of William D. Evans, '85, a practicing lawyer in Pittsburgh, Morrow's attention was drawn toward Amherst. He entered college in 1891 loaded down with conditions because he had not prepared in foreign languages, as he hoped to go to the Military Academy. He graduated in 1895 one of the best students in his class, and the best student in mathematics that George Olds ever taught. In 1899 he graduated from Columbia Law School, and immediately entered the office of Simpson, Thacher and Bartlett in New York. He was admitted to the firm six years later, and handled some of its most important and difficult negotiations. In 1914 he became a partner in

J. P. Morgan & Co. In 1927 he resigned his Morgan partnership to accept the appointment of United States Ambassador to Mexico, where his success was immediate. In 1930 he was appointed to the United States Senate from New Jersey, and at the next election he was returned to the Senate. When Harold Nicholson was preparing to write Morrow's biography, he found that one-third of his files dealt with Amherst matters.

Simpson, Morrow's former chief, was chairman of the Finance Committee when Morrow joined the Board, and continued as chairman till his death in 1920. Morrow attended one meeting of the committee after his election in 1916, and five out of six meetings in 1917. Then he went abroad on a war mission for the government, as member of the American Shipping Mission and civilian aide to General Pershing. At this time I was serving as a special assistant to Secretary of War Newton D. Baker. One afternoon in Washington, Morrow telephoned me and asked if I could drop in to see him at his hotel before he sailed. I supposed he wished to establish an informal channel of communication with the Secretary of War, and walked across Lafayette Park to Morrow's hotel. Morrow talked with me for more than an hour, but not a word was said about the war except my final good wishes to him for his voyage. Morrow talked Amherst: the present condition of the College, the deficits, the need for more endowment, a program for an appeal to the alumni after the war; and finally asked me if I was prepared to do a substantial amount of work for the College when the war was over. I told him that I would like to work for the College when the war was over, but that until then I was completely committed in Washington. As I rose to leave, he kept me for a moment and we both were silent. Then he said out of a clear sky, "Someday I hope to see you on the Amherst Board."

Morrow returned to New York directly after the armistice, and in 1919 we find him attending all the meetings of the Finance Committee. A joint Trustee-Alumni Committee, after a study, recommended an appeal to the alumni of the

College for a gift of \$3,000,000 to mark the centennial of the College, which was to be celebrated in 1921. The committee asked Morrow to head the Executive Committee which would organize and direct the campaign. Morrow agreed to accept on condition that "Tug" Wilson, '02, and I would act as vice-chairmen. He told us that we were to direct the campaign, but that he would undertake to do anything we asked him to do. We accepted, and for two years Morrow and Wilson and I spent a large amount of time on the project. The meetings of the Alumni Council in Amherst in November of 1919 and 1920 were devoted exclusively to the Centennial Gift. Frederick Pitkin Smith, '08, was retained to devote full time to the work of the campaign. Local committees were formed in every part of the country, and did yeoman work. Special task forces of volunteers undertook to visit alumni in localities where no committees were available. At commencement in 1921, the College was able to announce that \$3,013,115.56 had been pledged by 4,044 alumni, 479 undergraduates, 138 friends of the College who were not graduates, and two foundations. The General Education Board made a gift of \$300,000 and the Carnegie Corporation one of \$75,000. There were 18 individual subscriptions of \$25,000 or more, 362 of \$1,000 or more, and 3,682 of less than \$1,000 each. One striking feature of the campaign was that nearly 95% of the total fund was raised in a ten-day period in November 1920. The balance was raised by Fred Allis, secretary of the Alumni Council, between then and commencement. Among the gifts to the fund was a memorial gift for G. Henry Whitcomb, who had served the College so long as trustee, working member of the Finance Committee, and treasurer. The gift was made by his three sons and amounted to \$17,000.

I cannot close this brief account of the Centennial Gift without adding that President Meiklejohn asked the Board of Trustees for leave for the entire year in which the campaign was conducted. He spent the year in Europe with his family and did no work in the campaign to raise an endowment for the college of which he was president. Wilson and I sent him

a cable asking him for a message we could send the alumni as the campaign opened. The message he cabled back to us seemed to us insulting to the alumni. We threw it into the wastebasket, and ourselves wrote a short message from the president of the college to its alumni, and put it in print for circulation. When he returned to a college that had three million more endowment than it had had when he sailed, neither he nor we referred to his message. In the absence of the president, our committee sent three senior professors out on trips to the alumni; they accepted the assignment in addition to their regular teaching load.

In 1921 there were three changes in the Board of Trustees. George D. Pratt, '93, succeeded his older brother, Charles M. Pratt, who retired for reasons of health. Calvin Coolidge, '95, was elected to succeed Professor Williston Walker on the life Board. And to my surprise, I was elected to a five-year term by the alumni. George Pratt was added to the Finance Committee, and later Calvin Coolidge was added to the committee. Later in the decade I occasionally sat with the committee on the invitation of Morrow. Morrow had become chairman, as we have seen, in 1920. Three years later he insisted that James accept the chairmanship. James did so, but Morrow continued to assume the prime responsibility. The meetings of the committee, which had been held up to 1920 in Simpson's office, were now held at 23 Wall Street. Careful minutes were kept and circulated to the members. And the bond experts of the Morgan Bank, including Francis Ward, prepared recommendations for Morrow to present to the meetings for purchase and sale. Occasionally John E. Oldham, '88, sat with the committee, for Morrow sought his advice continuously.

In 1920 Morrow initiated a thorough and comprehensive study of the finances of the College. His purpose was the preparation of a report to the Board and to the alumni. No formal treasurer's report was issued between 1920 and 1924. At a meeting of the Finance Committee on June 24, 1920, it was voted to have all of the property of the College appraised as of June 30, 1920. The plant was appraised by Ira

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G. Hersey of Boston, an expert insurance appraiser selected by Frank W. Stearns of the Board, and the securities were appraised under the direction of William Ewing of the bond department of J. P. Morgan & Co. The plant, which was carried on the college books at \$1,357,950, was appraised at \$3,431,900.90. The securities, which were carried on the books at \$3,706,636.22, were valued at market at \$3,218,500.65.

Morrow, with the approval of the Finance Committee, then appointed an informal committee to consider the problems involved in a comprehensive report to the alumni. The members of this committee, John E. Oldham, '88, a private banker in Boston, and Howard A. Halligan, '96, executive vice-president of Western Electric Company, visited Amherst and conferred with the treasurer. And Morrow sent L. A. Keyes, one of the senior members of the staff of the Morgan firm, to Amherst several times to confer with the treasurer and to examine the books of the College.

As a result of these studies and conferences, Treasurer Kidder presented a report to the Finance Committee, which was concurred in by Messrs. Oldham and Halligan. Its principal recommendations were as follows:

1. That the Plant be carried at its former book value, but that \$135,233 be added to this book value to cover expenditures during the past ten years in the nature of improvements and permanent betterments to Plant which had been charged to expense.

2. That \$45,000 be charged to Capital account to cover the cost of specimens and equipment for the laboratories which had been added during the past ten years and charged to expense.

3. That North and South Dormitories, heretofore carried on the books as Real Estate Investments at an aggregate amount of \$60,000, be transferred to Plant Account where other dormitories were carried.

4. That 600 shares of Great Northern Iron Ore Certificates, which the College received as a dividend on its Great Northern stock, be placed on the books at present market price of \$30 per share.

5. That the \$83,000 par value of securities received in January to endow the Amherst Memorial Fellowships be placed on the books at the market value of the day received.

6. That interest and dividends accrued but not yet paid be carried on the books as an asset at the close of the fiscal year.

The treasurer then called attention to the fact that the accumulated deficit on the books at June 30, 1920 amounted to \$259,194.31. In addition, there was a deficit of \$15,111.46 made up of expenditures for scholarships in excess of income for this purpose. The account covering Gain and Loss on Investments was in debit \$81,614.19. He estimated the operating deficit for the current year at \$85,000 and the net gain on security transactions of the year at \$28,000. He then pointed out that if the changes recommended by him were approved by the Finance Committee and made at the closing of the books on June 30, 1921, the deficit at that date would be approximately \$165,000.

It is not easy to determine from the books, at the present time, what action was taken by the Finance Committee on these recommendations. A careful examination by the present comptroller of the College seems to indicate that the Dormitories were transferred to Plant as suggested. This was of course sound procedure. Accrued interest on investments was picked up to the amount of \$81,117.05. Part of the deficit, \$120,807.53, was charged off to the Sage Fund, which was unrestricted; the balance was apparently picked up by an adjustment of Plant Account.

While these studies were being made at the instance of Morrow, the relations between the president of the College and the faculty and between the president and the board were rapidly deteriorating. At the commencement meeting of the Board in 1923, the president presented his resignation and it was accepted. George Daniel Olds, who had just retired for age from the post of dean of the College, was immediately elected to the presidency, and held the office until 1927. At the commencement meeting of the Board in that year, Arthur Stanley Pease was elected the tenth president of the College to succeed Olds, and served five years. In 1932

he resigned to accept a professorship of Latin at Harvard, his alma mater. Neither President Olds nor President Pease took an active part on the financial side of the College. And Presidents Meiklejohn, Olds, and Pease had each made it a condition of his acceptance of the office that it should not be considered one of the duties of the president to solicit gifts for the College. In general, the stimulation of gifts was left to Mr. Plimpton and Mr. Allis, and after I came on the Board I collaborated with Mr. Plimpton in certain enterprises in this field.

We must return now to the studies under way of the College's financial picture. Morrow was not yet satisfied with the results thus far attained. At his own expense he retained Charles A. Andrews, his classmate, who was later to become treasurer of the College. Andrews was at the time associated with the firm of Merrill Oldham & Co. of Boston, private bankers, of which John E. Oldham, '88, was senior partner. Andrews spent an immense amount of time and had the assistance of the treasurer's office and of two of the senior members of the staff of J. P. Morgan & Co. And Morrow himself kept closely in touch with the enterprise, and spent many week-ends in conference with Andrews. Morrow was desirous that the report when completed should be in simple English without technical financial terms, so that it would be easily understood by laymen and would give to the alumni a clear and comprehensive picture of the finances of the College. The report which gradually took shape covered the present financial situation of the College, including the amount of the endowment, the manner in which it was invested, an account of each of the permanent funds of the College, an historical study of the development of the campus and the college plant, a statement of the income of the College and its sources, a statement of the costs of operating the College, an account of the Charitable Fund, of the Alumni Fund, of the Centennial Gift, a statement of the appropriations from the Centennial Gift made by the Board after consultation with the appropriate alumni and faculty representatives, and a statement of the amount of tuition

charged to students from the beginning of the College to the present.

The report was put in proof form and restudied. Finally, when Morrow was satisfied that it was as good a piece of work as could be done, he submitted it to the Finance Committee for its criticism. The Committee adopted the report as its own and submitted it to the Board under the date of June 30, 1924. The Alumni Council asked the Board to mail a copy to every alumnus, and in February 1925 the *Report of the Finance Committee to the Trustees of Amherst College — of June 30, 1924* was mailed to the alumni. It comprised sixty-eight pages. For the first time in the history of the College, its alumni were given a complete and easily read story of the finances of their college.

We must now examine the report in some detail. The total assets of the College are stated at \$8,744,677.15, in comparison with a figure of \$3,699,113.07 in 1912, an increase of 139%. Plant Assets have risen from \$1,050,731 to \$1,904,758, an increase of 81%. Investments have risen from \$2,629,509 to \$6,717,787, an increase of 155%. A comparison with previous decades shows the following results:

1875	Total Endowment, excluding Charitable Fund	\$ 584,845
1882	Total Endowment, excluding Charitable Fund	913,331
1892	Total Endowment, excluding Charitable Fund	1,225,184
1903	Total Endowment, excluding Charitable Fund	1,671,066
1912	Total Endowment, excluding Charitable Fund	2,629,509
1924	Total Endowment, excluding Charitable Fund	6,717,787

The Charity Fund has risen from \$95,000 in 1912 to \$103,697. The Alumni Fund, not included in the above total, now stands at \$101,068. And the treasurer of the Centennial Gift Fund reports that he has in hand, not yet turned over to the College, cash and securities of \$46,426 plus unpaid subscriptions of over half a million dollars.

This is an impressive statement. The endowment has shown an increase of 155%, not counting the Alumni Fund and the funds still held by the treasurer of the Centennial Gift. If we include the Alumni Fund and the cash and se-

curities still in the hands of the Centennial Gift, the increase is 161%. We must now turn back and examine the recent additions to the permanent funds of the College.

In addition to the Centennial Gift from the alumni, the College had received three additions to its permanent funds. Mrs. Simpson and Miss Jean Simpson gave Amherst a fund of \$150,000 in 1921 in memory of Mr. Simpson. The fund is called the John Woodruff Simpson Fellowship Fund and the income is used for graduate fellowships and for bringing distinguished scholars to Amherst as lecturers.

The following year, on the death of Edmund C. Converse, the generous donor of the Converse Memorial Library in memory of his brother, James B. Converse of the class of '67, the College received a fund of \$200,000 for the "upkeep and development of the library," and a separate bequest of \$50,000 for a scholarship fund. These gifts were the result of suggestions made to Mr. Converse by Morrow and by William R. Mead, '67.

In 1923 the College received a gift of \$100,000 from a donor who desired to remain anonymous, with the obligation on the College to pay certain life insurance premiums during the life of the donor in an amount not exceeding \$4,000 in any year. This fund appears on the college books as the Conditional Endowment Fund.

In addition to its endowment and to the Charitable Fund, the College now had the Alumni Fund, with assets of \$101,-068.59. A brief account of this fund is given in the Report of the Finance Committee, and must be summarized here. The Alumni Fund was started in 1906 by gifts totaling \$115 from six persons, chiefly members of the classes of 1856 and 1862. These gifts were made in consequence of a movement to establish such a fund by the classes of '56, '66, '71, '76, '81, '86, '91, '96, '00, '03, which were holding reunions at the time, and by the classes of '94 and '95. A committee was formed to administer the Fund, under the chairmanship of Talcott Williams, '73. As a result of the efforts of this committee, \$20,-521.40 was raised, and on the organization of the Alumni Council in 1914, this sum was turned over to the treasurer of

the General Alumni Fund of the Alumni Council as a basis for its work.

The Alumni Fund Committee of the Alumni Council, of which Dwight Morrow was the first chairman, decided to limit its appeal to classes and at reunion periods only, and by this method, at the commencements of 1914 to 1919 inclusive, \$123,678.85 was contributed. The Alumni Fund Committee suspended its work during the years 1920, 1921, and 1922 because of the Centennial Gift Campaign.

In 1922 the Alumni Fund was reorganized as recommended by a special committee of which Howard A. Halligan, '96, was chairman. From its beginning to June 30, 1924, the Alumni Fund received as gifts \$170,292.25 and as income \$42,976.18, a total of \$213,268.43. During the same period the Fund paid out to the College for instruction \$29,730 and for general college purposes \$29,279.76, a total of \$59,009.76; and to the Alumni Council for administrative expenses \$46,-476.43 and for special purposes \$6,713.65, a total of \$53,-190.08. On June 30, 1924 the Alumni Endowment Fund held cash and securities of \$101,068.59. The legal title to the Fund is in the Trustees of the College; the principal of the Fund is invested by the Finance Committee of the Board; and the treasurer of the College is treasurer, *ex officio*, of the Alumni Fund. The disposition of the income of the Fund is subject to the joint action of the Trustees of the College and the Alumni Council.

In discussing the securities of the College, the Report of the Finance Committee points out that they "constitute the great bulk of the income-producing property which makes possible the continued activity of the College. The figures at which these securities are carried are actual cost for such as have been purchased, and appraised value at date of receipt for such as have been donated, except that all Liberty bonds donated in fulfillment of Centennial Gift pledges are carried at par. All investments are made under the supervision and with the approval of the Finance Committee. During the past three years much attention has been given to the investments, and numerous changes have been made in the list.

“It should be remembered that many of the securities owned by the College have been given to it. It is not always easy and sometimes it is not permitted to dispose of these securities even though it may seem to the Finance Committee wise to do so. It should also be remembered that many of the investments of the College were made years ago when its endowment was small. This fact explains the presence of many investments in small amounts. It has been the policy of the Trustees gradually to dispose of these small investments or to add to their amount if they have proved of desirable character in order that the work and expense of administration may be kept at a minimum. The increase in the size of the endowment has made it possible more recently to make somewhat larger units of investment than was the practice in earlier years. In making investments in larger amounts, your committee has constantly kept in mind the wisdom of diversity in risk.”

The distribution of the investments of the College is given as follows:

Real Estate, consisting of 19 dwelling			
houses in Amherst occupied for the			
most part by members of the faculty	\$ 160,830		
Sears property in Boston	24,797	\$ 185,627	
Bonds:			
Government and Municipal	1,008,548		
Railroad	2,721,702		
Public Utility	1,568,857		
Industrial	775,082		
Miscellaneous	28,000	6,102,189	
Stocks:			
Railroad	189,724		
Public Utility	5,000		
Industrial	198,114	392,838	
Notes Receivable		1,800	
Savings Bank Deposits		17,332	
Securities deposited as pledge of cash			
subscription to 1918 endowment		18,000	
Miscellaneous securities of uncertain value		1	
		\$6,717,787	

The Charity Fund is invested in mortgage notes and bonds, the Alumni Fund in bonds except for one small item of preferred stock received as a gift.

During the seven years which followed, Morrow continued to direct the investment policy of the College. After his resignation from the Morgan firm in 1927, he spent much of his time away from this country, first in Mexico and later at the London Naval Conference. I find no minutes of formal meetings of the Finance Committee during this period. Doubtless none were held. But on his frequent returns to New York he would make the decisions which he considered necessary for changes in the portfolio. Whether in Mexico City or London or Washington, his interest in the College continued. Much of the work he had done as chairman of the Executive Committee of the Board was taken over by Dean Woodbridge, who succeeded him as chairman, and by me. In 1927, when I retired from active business, I was able to visit the College oftener, and I gradually assumed more responsibility outside my immediate responsibilities for the development of the Buildings and Grounds. My wife and I were spending some time in travel, and I would see Morrow in Washington or London or Paris and discuss college problems with him, for we still relied heavily on him for counsel.

Small matters in connection with the administration of the treasurer's office would come to my attention during my visits to the College, and I would have them corrected. Harry Kidder, hard-working and honest and entirely devoted to the institution to which he was devoting his life, was a man of obstinate prejudices. For some reason he had taken a dislike to the Amherst Water Company and to the First National Bank of Amherst. Ernest M. Whitcomb was president of the bank and treasurer of the Water Company. Kidder would allow the water bills of the College to go unpaid for months and sometimes for more than a year. He would overdraw the college account at the bank and disregard their letters. Neither the bank nor the Water Company was willing to take the action against the College that they might well have

taken against a private customer. The matter would be discussed in directors' meetings and irritation would result, at a period when I was attempting to improve relations between "town and gown." I corrected the situation as soon as I learned of it, but I could not be sure it would not occur again. The treasurer on his periodic trips to Springfield to cut coupons would put the coupons and any bonds he was withdrawing from the vaults in a small bag, and then leave this around carelessly while he bought his lunch and did other errands in Springfield. He never lost any coupons, but the practice was so loose as to cause comment. This too was corrected.

In the late summer of 1929, Morrow asked me to visit him at his summer home in Northaven, Maine. Mrs. King did not accompany me as Mrs. Morrow was not to be at home. When I arrived, I found that Morrow, his brother, General Jay Morrow, and myself were to make up the week-end party. We spent most of each day in long walks, and Morrow talked to me about the College. The country at the time was at the culmination of the boom. Paper fortunes had been made in the stock market. The popular sentiment expected an era of permanent good times, and this sentiment was supported by the occasional statements made public by leaders in downtown New York. Morrow was one of the very few men who took the opposite view. He felt there was no justification for the prices at which stocks were selling in the market, and he had acted in accordance with this judgment in the management of the college portfolio. As a result, the College's investments stood up well in the October crash and in the depression which followed.

On this same week-end in Maine, Morrow discussed with me the need of adding to the Finance Committee a new member who could gradually relieve him of the detailed responsibility for investment policy. He suggested that I join the committee and take on this work. When I told him that I did not have the training and experience in the bond market, he said that he could arrange for my education in this field in a relatively short time. I did not wish to take on this

responsibility, however, and declined. I suggested to him the name of Robert W. Maynard, '02, president of R. H. Stearns Co. of Boston. Maynard had just been elected to the Board as an alumni trustee, and at the autumn meeting of the Board, which followed soon after our Maine week-end, he was added to the Finance Committee. Maynard and I had been contemporaries in college and in the Harvard Law School; in both he had made a brilliant record. He was now a director of the Merchants Bank in Boston, and, above all, he had the poise and judgment necessary for this vital responsibility.

During the same seven-year period (1924-1931) a movement developed in the Board to raise the salaries of the senior professors on the faculty. The highest salary in 1924 was \$5,500. We set out to establish a few endowed professorships paying \$8,000 a year. Morrow led off with a gift of \$160,000 to found a professorship of history, and, with characteristic modesty, he insisted that it be named for Anson D. Morse, who had held a chair of history at the College from 1878 until 1907. Morrow expressed the preference that the chair be held by a professor of American history, and Frederick L. Thompson, '92, of the faculty was the natural candidate for the appointment. He was a close friend of Morrow's and in fact of most of the Board. But Thompson, with equal modesty, recommended that the appointment go to a colleague who had recently been called to Amherst from Rochester.

Then Mr. Plimpton called on Mrs. William H. Moore of New York and asked her whether she would give an equal amount to found a professorship in memory of her late husband, William Henry Moore. Moore (1848-1923) was born in Utica, New York, the son of a merchant and banker. He entered Amherst in 1867, but was forced to leave college after three years for reasons of health. He visited Eau Claire, Wisconsin, and, finding the climate beneficial, read law and was admitted to the bar in 1872. Later, he practiced in Chicago. He made his fortune as a business organizer, and his most notable success was the formation of four great cor-

porations known as the Moore Group, with a combined capital of \$187,000,000, later merged with the United States Steel Company. He married Ada Small, the daughter of Judge Small, his early law partner. In 1905 Amherst awarded him the degree of Bachelor of Arts, *extra ordinem*. Mrs. Moore told Plimpton that she had no interest whatever in founding a professorship in her husband's memory, and then paused to let the remark sink in. Plimpton's spirits fell, for he had expected a favorable answer. Then Mrs. Moore asked whether the College would not like a building. Plimpton agreed at once, and suggested that a building would cost much more. "How much?" asked Mrs. Moore, and Plimpton said he would have to consult Stanley King.

I told Mr. Plimpton that in my judgment our most serious need in this field was a new chemistry building. For years the departments of physics and chemistry had shared the Fayerweather Laboratory. But with the growth in the size of the College, and the increasing elections of courses in physics and chemistry, our work in these two departments was seriously crowded. Plimpton and I asked Mr. Mead to have his firm prepare preliminary sketches for a chemistry building and make tentative estimates of cost. Sketches were made by McKim, Mead & White, and their preliminary estimates indicated a cost of at least \$350,000. Plimpton reported the figure to Mrs. Moore and she said at once that she and her two sons, Edward Small and Paul Moore, would be happy to give a new chemistry laboratory to the College in memory of Mr. Moore. A contract was let in 1928 and construction begun. Mrs. Moore wished to have the building first-class in every respect, and the costs mounted as the work progressed. When Plimpton brought the matter to Mrs. Moore's attention, she was undismayed. She said that she had not promised to give \$350,000, that in fact she had never promised any fixed figure, but, rather, had promised to give a building, and she wanted the building well built.

The Moore Laboratory of Chemistry was formally dedicated on October 29, 1929. Mrs. Moore and her family came to Amherst for the dedication. She was a guest at the presi-

dent's house, and Mr. and Mrs. George Pratt were hosts to one of her sons, while Mrs. King and I were hosts to the other. A few hours before the dedication was to take place, we learned from New York of the historic break in prices on the stock exchange. At noon Mrs. Moore called her two sons into conference with her. At the conclusion of the conference she told Mr. Plimpton that she had just realized that they were doing a great disservice to the College in presenting a building which would be expensive to maintain, and that this would have shocked her late husband profoundly. She added that her sons would join with her in making an additional gift to the College of \$250,000 to endow the building. Morrow presented a portrait of Mr. Moore by Cartotto to be hung in the lobby of the new laboratory. The total gift of Mrs. Moore and her sons was therefore in the neighborhood of three-quarters of a million dollars.

It was several years before we received our next endowed professorship. Then, in 1930, on the fiftieth reunion of the class of 1880, the class presented the College with cash and securities of \$160,000 to establish the Class of 1880 Professorship of Greek. All living members of the class contributed, but the fund was underwritten by two members of the class who were wealthy, James Turner and Arthur Norris Milliken.

James Turner (1858-1940) was born in Brooklyn, graduated from Amherst in 1880, attended Columbia Law School, and for a quarter of a century was engaged in manufacturing, commerce, and finance. He had retired in 1906 and devoted his attention to family trusts and to a foundation of which he was president. Turner had never married. When I knew him he lived with an unmarried sister and an unmarried brother in a large house in Montclair. His generosity to the College was continuous and imaginative. He came often to Amherst and quietly sought out ways in which he could provide for some need of the College. His gifts during his lifetime included an endowment for the religious work of the College, the house library in South College, the Little Red Schoolhouse, and a large gift to his fraternity, Delta

Upsilon, to complete the financing of their chapter house. In his will, he left \$200,000 as permanent endowment for the Alumni Fund. His closest friends at Amherst were the Allises and the Kings; but closer still was the perennial secretary of the class of 1880, Judge Henry Field of Northampton, who would come to the Lord Jeffery Inn whenever Turner was a guest at the Inn.

Arthur N. Milliken (1858-1936) was born in Boston, and, after college, graduated from Boston University Law School and practiced law in Boston. He married a large fortune, and his wife and he had no children. I came to know him only in the last years of his life. His gift of the Hitchcock Memorial Room and his bequest to the College of \$300,000 brought his total gifts to his alma mater to nearly half a million dollars.

Meanwhile, Mr. Plimpton had written a letter to Edward S. Harkness (1874-1940), the New York philanthropist who was making princely gifts to Harvard, Yale, Exeter, and other institutions. In his letter, Plimpton pointed out that in the Pelham cemetery there were several Harkness graves which were not being cared for. He suggested that the Trustees of Amherst would be glad to provide perpetual care for these graves if Mr. Harkness wished to give \$160,000 to found a professorship. It was an arresting letter in Plimpton's best style. Harkness replied asking a large number of questions about the College for which President Pease prepared the answers. Then Harkness said he would make such a gift if Amherst raised the funds for five other professorships. We already had two, given by Morrow and by the class of 1880. We needed three more to meet the condition set by Harkness. And I shall tell the story of these a little later.

In June 1930 occurred the death of Henry Clay Folger of the class of 1879. And a few days later we were surprised to read in the New York papers that he had made the Trustees of Amherst College his principal legatee. The Trustees of the College were to receive the beautiful library in Washington then under construction, the collection of Shakesperiana which Mrs. Folger and he had spent their lives in assembling, and the bulk of his large estate as an endowment for the Fol-

ger Shakespeare Memorial Library. No member of the Board knew that this princely gift was to come to the Board. When Folger let the contract for the building in Washington located next to the Congressional Library, it was assumed that he would make the Library of Congress his legatee. The will, however, provided that all should come to the trustees of his alma mater, and it added that if the Amherst Board declined the bequest or later relinquished it, it should then go to the Trustees of the University of Chicago. In case they declined or relinquished the trust, it should go to the Library of Congress Trust Fund Board. Mr. Folger made the further provision that the Trustees of Amherst should receive for their services in administering his trust one hundred thousand dollars a year for the use of the College. This was equivalent to a gift to the College of two million dollars invested at five per cent.

Folger had for years spent more money for his collection than he had received as income. On his death he had bank debts as well as notes to Mrs. Folger which were a charge against the estate. Mrs. Folger had not expected to present these notes for payment by her husband's estate for she was as interested in the Library as he. But Mr. Plimpton talked with her and suggested that here was an opportunity for her to establish a permanent memorial at the College in the form of three professorships. As a result of these conversations, Mrs. Folger gave the College notes of her late husband in the amount of \$480,000, to found three professorships, to be named for Henry C. Folger, for Emily C. Jordan Folger, and for Eliza J. Clark Folger, the latter her husband's mother. The notes were paid by the estate. In return, the College agreed to reduce the amount to be paid the College as compensation for the services of the Trustees from \$100,000 to \$76,000 per annum. The College now had five endowed professorships of \$160,000 each. Plimpton and I then presented a complete statement of the facts to Mr. Harkness and he agreed that the conditions of his gift had been met. Shortly thereafter we received a check for \$160,000 to establish a professorship in his name. And the Board thereupon set up

a fund of \$2,000 in the Amherst Savings Bank to provide an income sufficient to provide perpetual care for the Harkness graves in the Pelham cemetery.

President Pease did not wish to take on the added responsibility for the Folger Shakespeare Library, and I assumed this for the Board, except for the problems of investment, which were taken by the Finance Committee, and except for the problems of Mrs. Folger's personal investments on which she wished advice. Morrow became for the time being her financial adviser; her entire fortune, she told us, was to come to the Board to be added to the Folger endowment. A new standing committee was established by the Board for the Folger, and Morrow was made chairman. Plimpton and I were the other active members. In fact, when I had read the first announcement of the gift in the *New York Times*, I had telephoned Morrow and we had agreed that I should go at once to Washington and take over the building contract in behalf of the Board.

It was obvious to me that Treasurer Kidder could not assume the added responsibility which now fell to the treasurer's office in the management of and accounting for the large endowment which was presently to come to the Board from the Folger estate. He was already overworked and had been for years. During the summer of 1930, as I turned the matter over in my mind, I became convinced that we must add another man to the college administration, and that he ought to take the office of treasurer. In such event Kidder might well be given a new office as comptroller, with his responsibilities limited to the receipt and disbursement of our funds and the supervision of the accounts. The problem was to find the right man for treasurer.

I kept the matter to myself as I did not wish a large number of applications. As I thought over the names of various Amherst alumni who might fill the position, the name of Charles A. Andrews, '95, occurred to me. The more I thought of the problem, the clearer it became that he was the ideal man for the position at this time. I went to Boston to lunch with Andrews. He was enthusiastic. He had a deep love for

the College and he gave me to understand that he would rather work for the College than do anything else. I then proceeded to poll the Finance Committee informally. Maynard of Boston knew Andrews well and considered him an excellent selection. Arthur Curtiss James of New York approved, though he at first proposed that I accept the position myself. George D. Pratt and Frank Stearns were favorable. Then I went to see Mr. Coolidge.

The Coolidges had left the White House and were living at The Beeches at Northampton. They had a private telephone number, so I could not telephone for an appointment. My wife and I drove to Amherst for the week-end, and on Sunday morning, well before church time, we drove over to The Beeches. Just as we stopped in front of the door, Mr. Coolidge came out in hat and topcoat. I said, "Good morning, Mr. Coolidge, I am afraid you were going out." He replied, "Thought I was." I told him I would like to consult him for a few minutes on an Amherst problem, and he invited us in. He directed Mrs. King into the drawing room, remarking, "Mrs. Coolidge is out," and took me into his study. He sat in a swivel chair, pulled out the slide from his desk and draped a leg over it, removed a fine cigar from his pocket and lighted it, with the remark, "Frank Stearns gave it to me." I lighted a cigarette.

I stated the problem and my recommendation of Andrews for the post of treasurer, and asked his opinion. Coolidge then talked almost without pause for fifteen minutes; he reviewed Andrews' life from his freshman year in college, he told me many things I did not know about Andrews, he spoke with warm affection and confidence of Andrews' character and personality. Finally he asked suddenly, "Have we enough money in the budget to pay his salary?" I reassured him on this point. His next remark delighted me. "I don't believe," he said, "in deciding to do something we haven't got the money for, and then going out and harpooning some alumnus for the necessary money. If our institutions and our cities and states and nation only spent the money they had in hand, we wouldn't be in the mess we are today." This was

his philosophy. Then he wound up the discussion with these words, "You can count me with you."

I had already discussed the matter with President Pease, who was agreeable to any solution approved by the Board. His position was, in effect, that this was a matter on the financial side of the College, and therefore a matter primarily for the judgment of the Board. Morrow was enthusiastic. At the next meeting of the Board I presented the matter formally; the vote of the Finance Committee was unanimous and the proposal went through without debate. Then came the administrative question as to how the matter should be presented to Treasurer Kidder. This would normally be the function of the president, but he was reluctant to undertake it. Kidder was prickly, and he had a long record of devoted service behind him. At the president's request I accepted the assignment. My theory has always been to grasp the nettle that no one else wishes to take hold of. I went at once to Kidder and told him of the program the Board had adopted on my recommendation, and I assured him before he had time to ask me that his salary as comptroller would be the same as he was now enjoying as treasurer. Kidder was frankly delighted with the news. He knew that he had had too much work and too little assistance for years; he knew the added responsibilities that the Folger Trust would entail; he was no longer a young man; he knew Andrews well and knew he could work happily with him. Andrews would now assume the responsibilities, and he would carry on the detail work with which he was so familiar. There was no nettle to grasp; Kidder was as happy about the program as I.

Two years later, in 1933, Harry W. Kidder died. He had served the College faithfully for nine years as assistant treasurer, for twenty-two years as treasurer, and for two years as comptroller, a third of a century in total service. When he joined the staff, I was a member of the freshman class; when he died I was president of the College. He had seen the endowment of the College grow from a million and three-quarters to well over eight million dollars on the books of the College which he kept. And he had made the entries in

a new set of accounts for the Folger Shakespeare Memorial; the assets of the Folger Fund at the time of his death were some eight and a half million dollars. He was faithful, diligent, and unimaginative. His vision did not reach much beyond the books he kept. His accounting practice was old-fashioned, and inadequate for the needs of the College as it had grown. Perhaps it is fair to say that he had not grown with the growth of the College. He remained throughout his life very much as he was when he joined the college staff as a young man in 1900, a competent bookkeeper in accord with the standards of that day. He worked with five presidents of Amherst on terms of cordial association, and each president knew his sterling qualities of character and his tireless diligence. He initiated no new ideas in his administration of his office, and he was reluctant to adopt new ideas that were suggested to him. But his faithfulness was always beyond question.

Chapter Eight

CHARLES A. ANDREWS, Treasurer 1931–1940

Charles Amos Andrews became the eighth treasurer of Amherst College on July 1, 1931, and served until his death in 1940. The experience was, I am sure, the happiest of his mature life. Andrews was born in Holyoke in 1872 and graduated from Amherst in the class of 1895. During his college course, financial reverses in the family occurred, and he felt he must leave college and begin to earn a living. His classmate, Herbert L. Pratt, heard of the situation and insisted on sharing his own generous allowance from home with Andrews, and Andrews was able to finish his course with his class. Now that Andrews was treasurer, he found three of his classmates on the Board of Trustees — Morrow, Coolidge, and Lucius R. Eastman. And a few years later another classmate, Herbert Pratt, was added to the Board. Andrews taught Latin for three years after leaving college and was then deputy tax commissioner for the Commonwealth of Massachusetts for eight years. Later he was treasurer of Gorton Pew Fisheries Company, and for ten years he was associated with Merrill Oldham & Co. of Boston, a conservative investment banking firm of which John E. Oldham, '88, was the senior partner. Andrews had been a member of the Massachusetts legislature, president of the Associated Industries of Massachusetts, and president of the Amherst Alumni Association of Boston. He was a good speaker, a favorite toastmaster at Amherst dinners, and, in addition, he had worked for more than a year with Dwight Morrow and Treasurer Kidder on the Report of the Finance Committee of 1924. His two sons were graduates of the College.

Three months after Andrews took office, the College and

the country suffered an irreparable loss in the sudden death of Dwight Morrow. No member of the Board was as beloved as Morrow; no alumnus had the affection and the confidence of so many of his fellow alumni; no member of the Board had exercised equal influence in the determination of college policy; and in the management of the portfolio Morrow had for fifteen years been the directing force. For ten years Morrow and Woodbridge and I had worked in the closest co-operation on Amherst problems; our recommendations had always been followed by the Board without question; we had supported President Olds and President Pease, and we had come to know the College more intimately than most trustees are ever able to know their college. To me, Morrow had come to seem almost like an elder brother. Now Morrow was gone; Woodbridge was in Berlin for the year as the Roosevelt professor at the University of Berlin; and I was now chairman of the Executive Committee of the Board and had recently been elected a life member at the expiration of my two terms as alumni trustee.

At the autumn meeting of the Board, a few weeks after Morrow's death, we all knew we must immediately strengthen the Finance Committee. His death created a vacancy on the life Board, and the rules of the Board provided that nominations for such a vacancy must lie on the table until the next regular meeting of the Board. The name of Niel A. Weathers of the class of 1898 was placed in nomination, and no other nominations were made. It was clear that Weathers would be elected at the next meeting, and I asked permission of the Board to invite Weathers to sit with the Finance Committee in the interim, a request which was at once granted. At the close of the meeting I went to New York to present the matter to Weathers and to urge his acceptance.

Niel A. Weathers was born in Ocala, Florida, the eldest of four brothers, three of whom had graduated from Amherst. For four years after college he had earned money as a stenographer in Florida and Cuba. In 1905 he graduated from Columbia Law School, with the distinction of being editor-in-chief of the *Law Review* in his final year. For twenty-three

years he practiced law in New York City, rising to the position of a senior partner in the firm of Simpson, Thacher and Bartlett, the firm in which John W. Simpson, '71, and Morrow, '95, had been partners. In 1928 he resigned from the firm to accept the chairmanship of United Electric Securities Company, an affiliate of General Electric Company. Known from college days as "Pop" Weathers, with a brilliant mind, an unblemished reputation, and a capacity for hard and unremitting work, a close friend of Morrow's from student days, and with a wide experience in finance, he seemed the ideal man to lead the Finance Committee of the College.

In New York I had a very pleasant interview with him and he agreed to accept the election to the Board when made and in the meantime to meet with the Finance Committee. I sent on to him the material with which he would need to familiarize himself. But before the next meeting of the Finance Committee he died suddenly on January 12, 1932, at the age of fifty-five. In the meantime, President Pease had tendered his resignation, and the Board was looking for a president as well as a chairman of the Finance Committee.

In 1931 Weathers had seemed the obvious choice to succeed Morrow. Most of the members of the Board knew him well, and those who did not were familiar with his record and his reputation in financial circles. In 1932 there seemed to be no alumnus who was the clear and obvious choice to assume the responsibility. The Board chose Coolidge, Eastman (L. R.), Esty, James, Maynard, and Pratt (G. D.) as members of the Finance Committee, and Maynard accepted the chairmanship until a permanent choice could be made. Plimpton and I were members, *ex-officiis*, of the committee. As president of the College I knew the vital importance of strong and wise leadership in the management of the College's portfolio, and I made a private list of alumni who might be considered. At the first meeting of the Finance Committee which I attended in my capacity as president of the College, the treasurer presented a question as to whether the College should sell or hold certain oil securities. On a

motion to sell, the vote was a tie, and I had not voted. The other members of the committee then asked for my vote, which would decide the question. I refused to cast a vote, saying that it was to my mind fantastic that my vote should decide such a question, particularly as I had no knowledge of these particular securities or of the prospects of the company. The College had large investments in oils as a result of the Folger bequest, but no member of the Finance Committee had any special competence in this field of investment. It was, I think, clear to all of us that something must be done and promptly.

Meanwhile, I had been thinking seriously of a Boston alumnus who was executive vice-president of the National Shawmut Bank. I had known him for years, but not well. I talked with one of the directors of the bank and then with the president, whom I knew. They both spoke of him in the highest terms, and the president gave me a detailed account of his performance for the bank before, during, and after the stock market break of 1929. At the spring meeting of the Board, I recommended for the vacancy on the Board George Edwin Pierce of the class of 1909.

Pierce was born in Brattleboro, Vermont, in 1887, graduated from Amherst in 1909, studied law at Boston University for two years, was employed by Bradstreet's for five years, and then entered the employ of the National Shawmut Bank, rising through grades to the post of vice-president. He had not, however, been active in Amherst alumni work and was not widely known among the alumni; he had, on the contrary, concentrated his attention on his work in the bank. The Board did not know him; most of them had never even heard his name; only Maynard knew his reputation and knew him. I asked Chief Justice Rugg and Mr. Coolidge to check him through their channels and they reported favorably at the next meeting; but the Board still did not know him and were reluctant to name to so important a post on the life Board a man who was known to so few of the Board. I then asked permission for the Finance Committee to invite Pierce to sit with them at their meetings, and this was granted.

Pierce's broad experience, his judicial approach, the careful study and investigation which he made of the problems before the committee quickly convinced the members of the committee that they wanted him as a full member of the Board. At the October meeting of the Board in 1933 he was elected without a dissenting vote. At Pierce's urgent request, Maynard continued as chairman for a number of years; but Pierce was the recognized leader of the committee from the date of his election to the Board.

The personnel of the Finance Committee was changing rapidly for other reasons. Mr. Coolidge died on January 5, 1933. He had been a member of the Finance Committee since 1929, but had taken no active part in its activities. George D. Pratt withdrew from the committee a year later for reasons of health. And while Arthur Curtiss James continued to be a member, his health prevented him from attending the meetings of the committee or sharing in its activities. Meanwhile, Edward T. Esty, who had acted for years as counsel to the Board, was added to the committee, and continued as an active member until his death in 1942. In 1934 Henry S. Kingman, '15, president of the Farmers and Mechanics Savings Bank of Minneapolis, was elected an alumni trustee and immediately added to the committee. And a year later Lewis W. Douglas, '16, was elected an alumni trustee and added to the committee. Douglas had been a member of Congress from Arizona, Director of the Budget during the early days of the Roosevelt administration, and was now vice-president of American Cyanamid Company of New York. In 1938 Frederick S. Bale, '06, was elected an alumni trustee. He was at the time vice-president of Bankers Trust Company of New York and was promptly added to the committee.

As soon as George Pierce joined the committee, its regular monthly meetings were instituted and they were held at the Union Club in Boston. The gentlemen of the Finance Committee in the 1930's and 1940's did not realize that their predecessors, Henry Edwards and Alpheus Hardy, had been charter members of the Union Club in 1863 and that Hardy

had been a member of the small committee which organized the Club. Nor did they know that the building at 8 Park Street which had housed the Club during its entire history had been the home of Abbott Lawrence, the distinguished Bostonian who gave Amherst its first observatory, the octagonal tower in the center of the Octagon.

Treasurer Andrews prepared the agenda, and formal minutes were kept. The committee met at the Club for cocktails at 6:30, dined in a private dining room at 7:00, and immediately after dinner went into formal session, lasting often till nearly midnight. Kingman of course could not attend all the meetings because of the distance from Minneapolis, but when he could not come, he sent his comments on the items in the agenda to Pierce or called him on the telephone, so that the committee always had the benefit of his point of view. Douglas did the same. I always attended the meetings of the committee; I enjoyed them as much as any meetings I attended; and while I could ordinarily add nothing of value to the discussion of specific investments, I learned a great deal from this association with my colleagues.

From the beginning of Pierce's leadership, he brought with him to every meeting his associate, Horace Schermerhorn of the Trust Department of the National Shawmut Bank. "Schermy," though not an Amherst graduate and not a graduate of any college, became one of the most liked members of the group. He brought with him the pertinent facts on all questions to come before the committee and gave us the benefit of his wide experience and his vast knowledge of corporate financial conditions. His assistance was invaluable. And for this service he never received any compensation, direct or indirect, nor did the bank of which Pierce and he were officers. In fact, Pierce took the position from the outset that as long as he served on the committee, the bank would not accept an account of the College or perform any regular service for the College for which it received compensation. And Pierce insisted that the College sell the shares of stock in the bank which it had in its portfolio. One of the pleasantest privileges I exercised during my years in the

president's office was to recommend to the Board the award of the honorary degree of Masters of Arts to Schermy at the 1944 commencement. It was approved unanimously by the Board, and was accepted with deep appreciation by Schermy. He still renders the same service to the Finance Committee, but now as an honorary graduate of the College. Amherst has become his college in a very real sense.

During the fourteen years from 1932 to 1946, the Finance Committee was without doubt the hardest working committee of the Board. It met regularly every month except in the summer, when only one meeting was ordinarily held. Between meetings of the committee, the treasurer regularly consulted Pierce and other members by long distance telephone. And the most effective members of the committee were Pierce, Maynard, and Kingman. Pierce and Kingman had firsthand knowledge of the matters discussed. Bale, an officer of Bankers Trust Company of New York, brought to the committee the information and advice supplied him by the research department of the Trust Company. Douglas had a firsthand knowledge of the mining industry, particularly copper, and had excellent sources of current information. Esty, in addition to his sound advice on all legal matters, was trustee of a number of estates and had a broad and sound judgment on investment problems. And Maynard, during the years that he acted as chairman, made an admirable presiding officer and saw to it that the work of the committee was crystallized in decisions after full debate and the consideration of all points of view. In addition, he brought to the meetings a sound judgment and a great fund of hard common sense. He was never ruffled, he was never hurried, and he had the admirable quality of bringing together divergent points of view in the committee.

On July 1, 1933 the College put into operation a new system of accounts devised by our new auditors, Lybrand, Ross Bros. & Montgomery. The system was modeled upon the form recommended by the National Committee on Standard Reports for Institutions of Higher Education which is in use

in many of the leading colleges and universities of the country. And on June 30, 1934 Treasurer Andrews issued his first treasurer's report based on the new accounting procedure.

On the death of Harry Kidder in 1933, the treasurer filled the vacancy in the office of comptroller by the temporary appointment of J. Gerald Cole, '15. Cole remained only a few months, and the treasurer then appointed Herbert G. Johnson, '16. Herbert Johnson had had an excellent preparation, first with Western Electric Company and then as assistant comptroller of Bird & Son of Walpole, Massachusetts. His appointment was duly confirmed by the Board in 1934. And since then he has handled the problems of his office with great competence.

During the year 1933-34 the Finance Committee faced a difficult problem in the management of the Folger Fund. Mr. Folger had left his entire estate to the Trustees of Amherst. It consisted entirely of stocks in the Standard Oil group of companies, except for a block of some 1,840 shares of Chase National Bank. At the time of his death, he not only owed money to Mrs. Folger, but he had debts to banks of nearly half a million dollars for money borrowed to finance his purchases of Shakesperiana. When the executors had paid the debts and the expenses of administration, and had completed the building of the Library, they turned over to the Trustees securities of a value of \$1,495,801. This was only a fraction of what Mr. Folger had expected to provide as endowment for his library. The stock market crash of 1929 and the prolonged depression which followed had reduced the value of his securities, and of course a substantial amount of his stocks had been sold by the executors to pay debts and administrative expenses and to build the Library. In addition, the first charges on the income of the funds turned over to the Trustees were a payment of \$76,000 a year to the College and annuities to various relatives of \$85,000 a year. Mrs. Folger had met the emergency by transferring to the Trustees the bulk of her estate, with a market value of \$2,970,000, to be held by the Trustees under the same conditions as those set down in her husband's will. Her estate

too was invested in oils. Under the terms of her husband's will, the Trustees were allowed to use only the income of the Fund.

By 1933-34 the income of the two Funds (Mr. Folger's and Mrs. Folger's) was inadequate to meet the charges of \$76,000 to the College and \$85,000 to annuitants and to keep the Library open. Prompt action was necessary to avoid a serious catastrophe. Three steps were taken. The College surrendered \$50,000 of the income to which it was entitled. The Trustees filed a petition in the Probate Court of Hampshire County asking the permission of the court to use the principal of Mrs. Folger's Fund when necessary. The petition was consented to by Mrs. Folger. And in addition, the counsel for the College had to secure the consent of the Attorney General of Massachusetts, of the Trustees of the University of Chicago, and of the Library of Congress Trust Fund Board in Washington. In March 1934, the Probate Court issued its decree approving the change in the terms of Mrs. Folger's gift. Meanwhile the Trustees had borrowed some \$30,000 from the Springfield Safe Deposit & Trust Company to enable them to pay the operating expenses of the Library until the action of the Probate Court.

The third step, which was carried through with brilliant success by the Finance Committee under the leadership of George Pierce, was the sale of about one-third of the oil securities in the Folger Fund and the investment of the proceeds in prime bonds. This was accomplished with a profit to the Folger Fund of about \$250,000 over book value, and the income of the Fund was materially increased. These steps saved the Folger Library from curtailment in its operations, increased both the principal and the income of the Fund, made the future management of the Fund by the Trustees simpler and more effective, and made possible a balanced budget for the Fund the following year. The note to the Springfield Safe Deposit & Trust Company was paid when due. The College, however, continued to receive only \$26,000 per annum instead of \$76,000 from the Folger Fund until Mrs. Folger's death, when the College's receipts from the

Fund were restored to \$76,000 and have continued at this rate ever since.

Mrs. Folger died in February 1936, and her will provided that the residue of her estate should pass to the Trustees of the College to be added to the Fund of \$3,000,000 she had already given in her lifetime. The total book value of the gifts and bequests from Mr. and Mrs. Folger, including the library building and land, the collections, and the endowments, amounted to over eleven million dollars.

The most striking change which was taking place in the portfolio was the distribution of investments between bonds and stocks. This change was so radical as to be revolutionary. In 1924 the bond account of the College represented 91% of its portfolio; stocks amounted to 6%, and real estate to 3%. Ten years later, in 1934, bonds had dropped to 72%; stocks had increased to 17½%, real estate and real estate mortgages to 8½%; and cash was 1½%. And in another ten years, in 1944, bonds had dropped to 30½%, stocks had risen to 63%, real estate and real estate mortgages stood at 5%, and cash at 1%. The following table taken from the annual printed reports of the treasurer shows the changes from year to year.

DISTRIBUTION OF INVESTMENTS IN
PERCENTAGE OF BOOK VALUE

Year Ending	Bonds	Pfd. Stocks	Com. Stocks	Real Estate	Cash
1924	91	6		3	
1934	72	7½	10	8	1
1935	58	35		5	2
1936	54	39		4	2
1937	49	41		4	5
1938	44	49		5	2
1939	43	11	39	5	1
1940	36	13	43	5	2
1941	32	14	47	5	2
1942	31	13	48	5	2
1943	30	13	49	5	2
1944	30	11	51	5	1
1945	28	11	54	4	1
1946	29	10	55	4	1

In considering the investment policy of the College at any period in its history it must be remembered that many of the securities owned by the College have been given to it. It is not always easy, and sometimes it is not permitted, to dispose of these securities. The gifts of Mr. and Mrs. Folger, totaling nearly four and a half million dollars, were, with minor exceptions, all in common stocks and all in one industry, the industry in which Mr. Folger had spent his entire business life. The oil industry had had an extraordinary growth during the span of one lifetime; it had become one of the fundamental industries of the country and in fact of the world; and it had been extraordinarily profitable to the investors who had owned the equity securities of the best managed companies. The Folger gifts together amounted to about two-thirds of the entire endowment of the College in 1924. While Mr. Folger's will imposed no restrictions on the Board in the matter of the investment of his endowment, the question presented to the Board, and specifically to the Finance Committee of the Board, was, not whether to invest the Folger funds in the common stocks of one industry, but how much of the Fund to sell at the low prices prevailing through the years of the depression in order to secure diversification. The Finance Committee considered this question with great care, and reconsidered it from time to time throughout the period we are discussing. From time to time they presented the facts to the Board, with their recommendations, as they wished the entire Board to share the responsibility for the decisions they were taking in the matter. In each case the Board approved the proposals of its committee.

Quite outside of the Folger Fund, however, the investment policy of the College was undergoing a radical change. Beginning in a relatively small way in 1931, the College was entering the market for prime common stocks for the investment of its endowment. I recall very well a meeting of the Finance Committee called by Dwight Morrow and held in his rooms in the Ritz Carlton Hotel in Boston in the summer of 1931, in which he proposed, and the committee approved, the purchase of a block of the common stock of the American

Telephone & Telegraph Company. This was the first purchase of common stock by the College at any meeting of the Finance Committee which I attended. At the same meeting Morrow asked me to investigate the stock of United Shoe Machinery Company of Boston and send him my report. I asked him whether he was interested particularly in the preferred or the common stock of United Shoe, and he said that if the College bought either, he would suggest the common. When I later sent him my report, he authorized the treasurer to purchase a block of United Shoe common. Since that time, the College's holdings in both Telephone and Shoe have been substantially increased. In 1946 the College's investment in Telephone common had a book value of over half a million dollars, and its investment in United Shoe common a book value of over a third of a million dollars.

There were of course several reasons for the change in policy. One was the lesson learned by students of investment policy from the relative performance of the best equities during the depression as compared with the performance of prime bonds. Another was the low interest rate maintained by the government as a matter of policy, which made it difficult for colleges to live on the return from prime bonds. The same reasons which impelled the Finance Committee of Amherst to change its investment policy were operating in the country as a whole, and other colleges and universities were doing just what Amherst was doing and for similar reasons. From time to time our Finance Committee would compare our distribution between fixed-income securities and equities with similar figures for other colleges and universities. These comparisons usually indicated that we were a little more heavily invested in equities than our friends in other colleges, due of course to the influence of the Folger investments on our totals.

Another significant change was in our investment in U.S. Government bonds. In 1924 the College held under \$700,000 of Liberty bonds and U.S. Treasury notes, carrying interest at 4½% to 4¼%. Most of these had come to the College as gifts in the Centennial Gift. On June 30, 1935, we owned no obli-

gations of the U.S. Government. In 1946, our U.S. Governments represented a total of over \$4,000,000, with interest rates of from 2% to 2½%, and comprising over two-thirds of all our bonds. The management of our Government portfolio was a highly specialized problem, and was entrusted by the Finance Committee to George Pierce, whose actions were reported to the committee and ratified by them.

In the same ten-year period (1935–1946) the College reduced its railway bonds from 29% to 3.5% of the portfolio, its public utility bonds from 23% to 3.2%, and its railway stocks from 2.4% to 1.2%. Its investments in utility stocks, meanwhile, rose from 2.2% to 11%, and in industrial stocks from 29% to 49.6%. A substantial part of the liquidation of its bond account was of course made, not at the option of the College, but of the debtor corporations, which called their high coupon bonds and refinanced at a lower coupon rate. As the decade passed, the difficulty of wisely investing the trust funds of the College increased. In the fiscal year ending June 30, 1936, for example, the purchases and sales of securities by the College for its own account and the Folger Fund amounted to some \$9,000,000 in total.

The effect of the low interest rates on the College's return from its endowment is illustrated by the following table showing the rate of return on book value of the Consolidated Funds of the College (this of course does not include the Folger Fund, which is separately invested).

<i>Year ending</i>		<i>Year ending</i>	
June 30, 1933	4.50%	June 30, 1941	4.11%
1934	4.37	1942	4.336
1935	4.42	1943	3.99
1936	4.33	1944	3.99
1937	4.457	1945	4.11
1938	4.05	1946	4.137
1939	3.72	1947	4.59
1940	4.05	1948	4.64

In 1939–40 the Finance Committee and the treasurer undertook one of the most difficult problems confronting the

College, the development of a contributory pension plan for members of the Faculty. Two faculty members were chosen by me with the advice of the Committee of Six of the Faculty to sit with the Finance Committee in the consideration of this problem: Professors Clarence W. Eastman and Bailey LeF. Brown. The work continued for more than a year and when the report was completed, it was approved by the Board. Before it could be presented to the Faculty, the treasurer was taken seriously ill.

In the years 1940 and 1941 the College suffered grievous loss in the death of two senior members of the administration. Charles Amos Andrews, treasurer of the College since 1931, died on November 11, 1940, and Frederick Scouler Allis, secretary of the Alumni Council for twenty-five years, vice-chairman of the Council for two years, and secretary of the Board for twelve years, died on July 23, 1941, a few days after his formal retirement from office. Andrews had unusual qualities of personality and training for the office of treasurer; he had performed the duties of the office with great ability and had won both the respect and the deep affection of the members of the Board. He was almost universally liked by his fellow alumni, and he had a warm spot in his heart for the undergraduate, particularly the undergraduate who was having a hard time meeting the expenses of his college education. Andrews always remembered his own struggles to pay his college bills; he always remembered how much his scholarship aid had meant to him in enabling him to continue his college course. He had been an undergraduate when "Old Doc" Hitchcock kept a fatherly eye on boys who were indigent but promising, and Andrews had many of the qualities of a current model of "Old Doc." Under his direction the entire accounting system of the College had been remodeled, the procedures of the treasurer's office modernized and brought into accord with the best current practice. He never attempted to secure large gifts for the College, so far as I know, but wherever he went he would tell the story of some luckless student who did not have enough money to stay in college, and would come back to Amherst with a

check or checks to be disbursed by him for students who were sound and having difficulty making both ends meet.

Fred Allis was the ideal alumni secretary, and was recognized as such both in the Amherst community and outside. He was gentle, quiet, persuasive, and obstinate. He was never in a hurry, he was never flustered, and he had infinite patience. The Alumni Council of the College was the projection of his personality and of his tireless work. The Alumni Fund was due more to him than to any other single individual. He never sought the center of the stage, he never made the important speeches, he never participated in debate on policy; but he was behind the scenes all the time, and the policies of the Alumni Council were his policies, although they were proposed, seconded, argued, and carried through by others whom he had quietly selected and briefed. He made friends wherever he went. He stimulated gifts and bequests to the College, large and small, but almost no one knew of his specific efforts in this field. He was trained in the law and in banking, he had a fund of common sense, he had manners that were almost courtly, he was a good draftsman and a charming letter writer, and he was utterly devoted to the College. Physically, he was rather frail, and for the nearly thirty years that he devoted his life to the College he had to exercise unusual care for his health. In spite of this, he accomplished more than most men of strong physique. Most alumni secretaries have considered the post as a steppingstone to some other position; he made it a career. And he made the career a distinguished one by his own distinction. No account of the endowment of the College would be complete which did not recognize the important part he played in the enlargement of the endowment, a part that for many years was second only to that played by George A. Plimpton, the president of the Board.

Chapter Nine

PAUL D. WEATHERS, Treasurer 1940—

The death of Treasurer Andrews posed an immediate problem to the Board and particularly to the Finance Committee. The post had become in the last dozen years the second most important office in the administration of the College. A number of alumni desired to be considered for the post, but two seemed outstanding and their names were considered by the Finance Committee with great care. Neither of them sought the office; we sought them out. A few years earlier, I had met at commencement Paul D. Weathers of the class of 1915, a younger brother of the late Neil A. Weathers, '98, who had been selected by the Board to succeed Dwight Morrow as leader of the Finance Committee. Paul Weathers at the time I met him was treasurer of Lafayette College. And when I first met him, I took him away from his classmates, who were celebrating their reunion, to learn all I could about the administration of the finances at Lafayette. He made a deep impression on me at that time, and I proposed his name to the Finance Committee. After the committee had canvassed the situation, it left the final decision to George Pierce and me. I telephoned Weathers to invite him to come to New England to discuss the matter with Pierce in Boston and with me in Amherst. Weathers came first to Amherst and then went on to Boston. Pierce and I agreed that he was the man for Amherst, and our recommendation was followed by the approval of the Board and his election in January 1941 as treasurer of the College.

Weathers was born in Ocala, Florida, and graduated from

Amherst in the class of 1915. He was forty-seven years old. After leaving Amherst, he spent two years at the Harvard Graduate School of Business Administration, receiving the degree of Master of Business Administration. For several years he was employed in Bankers Trust Company, New York. Then for some dozen years he was a financial officer of various public utility companies. In 1932, he was elected treasurer of Lafayette College in Easton, Pennsylvania, and held this position till his return to his alma mater as its treasurer. As I look back over the ten years that have intervened, I am satisfied that no better choice could have been made. Paul D. Weathers is, I think without doubt, the ablest treasurer Amherst has had in its hundred and twenty-five years. The Board has recognized his abilities by a petition to the Legislature of the Commonwealth asking for an amendment to the charter of the College providing that henceforth the treasurer of the College shall be a member, *ex-officio*, of the Board. And the legislature passed the necessary act amending the College's charter in this respect.

A few months after Weathers took office, our country entered World War II and the College went on a war footing. This meant new and complicated problems for the treasurer's office, which were admirably handled by Weathers and his staff. The story of the College's participation in the nation's war effort will be told elsewhere. Here we are concerned with the development of the endowment of the College. And the problems of investment and reinvestment continued of course throughout the war.

Meanwhile, the personnel of the Finance Committee was gradually changing. Pierce of course continued as chairman. Maynard resigned from the Board in 1941 and became trustee emeritus. Kingman left the committee in 1940, when his term as alumni trustee ended, and rejoined the committee in October 1943, when he was elected a life trustee. Fales and Thorp joined the committee in 1942 and 1943, Francis in 1944, and Gregory in 1946.

Frederick S. Fales was born in Rockland, Maine, graduated from Amherst in the class of 1896, and after a brief

business experience in Chicago, joined the staff of Standard Oil Company of New York in 1903. In 1932 he became president as well as vice-president and a director of Socony-Vacuum Oil Company.

Willard L. Thorp graduated from Amherst in the class of 1920 and received his doctorate from Columbia in 1924. From 1926 to 1934, he was professor of economics at Amherst, the latter year on leave to serve as Director of the Bureau of Foreign and Domestic Commerce in Washington. Later he was a trustee of Associated Gas and Electric Companies, and reorganized the companies in bankruptcy. He is now Assistant Secretary of State of the United States.

Clarence Francis graduated from Amherst in the class of 1910, and, after a long business experience with Corn Products Refining Company and Postum Company, became successively vice-president, president, and chairman of the Board of General Foods Company of New York.

Richard H. Gregory graduated from the College in the class of 1898 and entered the employ of Western Electric Company. In 1908 he became comptroller of the company and served in this capacity until his retirement.

These men brought new and different points of view and widely different backgrounds of experience to the work of the committee.

We must now examine the growth of the endowment of the College. A comparison with previous decades shows the following:

1875	Total Endowment, excluding Charity Fund	\$ 584,845
1882	Total Endowment, excluding Charity Fund	913,331
1892	Total Endowment, excluding Charity Fund	1,225,184
1903	Total Endowment, excluding Charity Fund	1,671,066
1912	Total Endowment, excluding Charity Fund	2,629,509
1924	Total Endowment, excluding Charity Fund	6,717,787
1932	Total Endowment, excluding Charity Fund	8,580,561
1946	Total Endowment, including Charity and Alumni Funds, but excluding Folger Fund	12,837,192
1946	Total Endowment, including Charity, Alumni, and Folger Funds	19,758,186

The total assets of the College in 1924 were stated at	8,949,442
The total including Folger in 1932 were stated at	21,122,611
The total including Folger in 1946 were stated at	31,461,003

We observe that in the tables above the Charity Fund and the Alumni Fund are not included in the total endowment in 1924 and 1932, but are so included in 1946. This is due to a change in accounting practice ordered by the trustees and concurred in by the appropriate officers of the two funds. To make the totals really comparable we must therefore add the Charity and the Alumni Funds for the years 1924 and 1932. This gives us the following comparative figures:

1924	Total Endowment, including Charity and Alumni Funds	\$6,922,553
1932	Ditto, but excluding Folger Fund	9,009,197
1946	Ditto, but excluding Folger Fund	12,837,192

But in 1946 the real endowment of the College was even larger than these figures indicate. For the Folger Fund was bound to pay the College \$76,000 per annum in perpetuity. This was equivalent to an additional endowment of \$1,900,000, if we assume an interest rate of 4%. In other words, the college endowment which supported the operations of the College itself was in 1946 equivalent to some \$14,750,000. This was more than double what it was in 1924. And as I look back to the days when I first began work for the College in 1919, I realize that during those twenty-seven years I have seen the College's endowment grow from under four million to over fourteen million, or nearly fourfold; and I have seen the total resources entrusted to the trustees grow from about five million dollars to over thirty-one million dollars, or sixfold. It is an extraordinary record and it is due to the extraordinary generosity of Amherst's sons and of their widows and children, a generosity which has found expression in countless wills and in countless gifts from the living. The confidence and the devotion of her sons are the foundation of the College today, and the promise for the future of Amherst.

We must now go back and note some of the additions to

the endowment as they came to the College from year to year during the fourteen-year period from 1932 to 1946 of my term as president.

In the year 1934-35 the College received the second largest bequest it has received for college purposes, under the will of Frank L. Babbott of the class of 1878. Mr. Babbott made two specific bequests of \$10,000 each, one for scholarship purposes and one for the Amherst Chapter of Alpha Delta Phi. In addition, he gave the College one-third of the residue of his estate, amounting to \$1,172,515, with the provision that for twenty-five years the income only should be used. At the expiration of that period, the fund is without restriction. Mr. Babbott had always been a most generous benefactor of the College; many of his gifts during his lifetime had been made anonymously. He visited the College frequently and sought out ways in which he could make a gift which would enable the College to do something it was not then able to do. Often his gifts did not pass through the treasurer's office, but were made directly to some department or some professor. President Pease took some exception to this procedure, believing that gifts should pass through regular channels, but Mr. Babbott continued in his quiet way to make gifts for this or that purpose. Sometimes he would tell me about them, but usually I would hear of them from other sources. One of the objects of his continued interest was the Department of English and particularly the work of Professor George F. Whicher of that department.

It therefore seemed to me appropriate, when the College received the large bequest under his will, to propose to the Board that it name Professor Whicher Professor of English on the Frank L. Babbott Foundation, and the Board unanimously approved my suggestion. In addition, I suggested to the Board that the College use college funds to make the room on the second floor of the Woods Cabinet (the Octagon) into a faculty room, to be named the Frank L. Babbott Room. Over the fireplace hangs a fine portrait in oil of Mr. Babbott which the Board authorized me to commission.

Mr. Babbott (1854-1933) was born in Waterville, New
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York, and graduated from Amherst in the class of 1878. Two years later he graduated from Columbia Law School. He received the honorary degree of Master of Arts from Amherst at commencement in 1903, when I received my own Bachelor's degree. After eighteen years in business he retired, in 1901, and thereafter devoted himself to civic and public causes. He was president of the Board of Packer College Institute in Brooklyn, trustee of Vassar College, trustee of Brooklyn Academy of Music, vice-president of the New York Board of Education, trustee of the Brooklyn Public Library and the Brooklyn Institute of Arts and Sciences. In 1886, he married Lydia Richardson Pratt, daughter of Charles Pratt and sister of Charles M. Pratt. His daughter married William S. Ladd, '10, later a trustee of Amherst, and his son graduated from Amherst in the class of 1913. Later, while I was president of the College, we had several of his grandsons in our student body. When the alumni of the College financed the building of the Lord Jeffery Inn, Mr. Babbott asked that the dining room be assigned to him for decoration. The oil portraits on the walls of the dining room and the silver service are his gifts to the Inn, which he enjoyed as much as any of his New York Clubs. I have said that Amherst received one-third of the residue of his estate. One-sixth went to Vassar College, where his wife had graduated, and one-half to the Long Island College of Medicine and its associated hospitals, of which his son was then president.

A third large addition to endowment came to the College from William Rutherford Mead, '67, and Mrs. Mead. Mr. Mead (1846-1928) was born in Brattleboro, Vermont, and graduated from Amherst in the class of 1867. For five years after his graduation he studied architecture in America and Europe. On his return to New York, he went into partnership with Charles R. McKim, and in 1879, with Stanford White, they formed the partnership of McKim, Mead & White, which became the leading firm of architects in the country. Mr. Mead was a member of the American Institute of Arts and Letters, president of the American Academy in Rome, National Academician, and received the Gold Medal

of Honor of the National Institute of Arts and Letters. He was awarded honorary degrees by Norwich University and the University of Pennsylvania; and from his alma mater he received its highest degree. He organized and for many years headed the Art Commission of the College, and was president for a dozen years of the Amherst Alumni Association of New York. He stimulated the gift of Converse Memorial Library and the endowment of the Library by his kinsman, Edmund C. Converse. And next to his love of the arts was his love for Amherst. He died in Paris in 1928. His wife, Olga Kilenyi of Budapest, survived him for eight years. On her death, the College received from trust estates set up by Mr. Mead and from his and his wife's estates some \$919,635. To Columbia went \$100,000 and to the American Academy in Rome the same amount; to Amherst came everything else including furniture, jewelry, tapestries, and other works of art.

Mr. Mead had discussed his proposed gifts with three members of the Board — Morrow, Plimpton, and myself. We tried to persuade him to endow a professorship, but his reply was that others would and could do that; he wished to have his gift used for the development of a Department of Fine Arts at Amherst. First, he said, you must find the right man to head the department; then build a building to house the department; and then establish one or more fellowships. Morrow was his closest friend on the Board. Morrow arranged for the drafting of the necessary papers: deeds of trust, letters to the Board, and the joint wills of Mr. and Mrs. Mead; and Morrow was one of his executors. With me, Mead discussed the location of the proposed building. We walked about the campus discussing various sites, but found none that satisfied him.

I never met Mrs. Mead. I tried to call on her in Paris in the early 1930's, but she sent word to me that she preferred to discuss Amherst matters only with Morrow or Plimpton. Both Morrow and Plimpton called on her there. Unhappily, during much of the time after her husband's death she was in a state of mental disequilibrium, and during part of

the time she was in a nursing home. Mrs. Mead had only one relative living, a sister in Budapest, who was impoverished. But Mrs. Mead refused to send her money. Under these conditions, Morrow personally sent her a monthly check as long as he lived, and after his death the College continued the stipend until all such payments became impossible after our entry into the war. The sister survived the war in some way, and the College again undertook to send her a monthly stipend.

On Mrs. Mead's death, the College received the securities and cash, the furniture and personal belongings of Mr. and Mrs. Mead. The treasurer of course handled the cash and securities in the usual way. All of the furnishings and personal property were shipped to Pratt Gymnasium, and examined with care. Much was useful for the Department of Fine Arts, some for the theater, some for the president's house.

The first step for the Board was obviously the establishment of a professorship, and I recommended the appointment of Charles Hill Morgan, II, of our faculty to the Mead Professorship of Fine Arts. Then studies were begun to determine an appropriate site. These were interrupted by the war, as both Professor Morgan and the college architect, James Kellum Smith of the class of 1915, entered the Army Air Force. In November 1948 the contract for the Mead Art Building was let, and the building was completed a year later. The fellowships doubtless will follow in due time.

In 1937 the College received a bequest of \$300,000 from Arthur Milliken of the class of 1880. I have already told the story of Mr. Milliken in connection with the gift of the 1880 Professorship of Greek to the College in 1930.

In 1938 the College received an even larger bequest from Milliken's classmate, Henry P. Field, familiarly known as Judge Harry Field. Judge Field left the College practically his entire estate, amounting to nearly \$400,000. Henry P. Field (1858-1937) was born in New London, Connecticut. His father, Reverend Thomas P. Field, had graduated from the College in the class of 1834, been a tutor at the College from 1837 to 1839, a professor from 1853 to 1856, and from

1877 to 1886. Harry Field entered the law school of the University of Michigan after graduating from Amherst and received his law degree in 1882. From then until his death, he made his home in Northampton and practiced his profession there. He was at one time mayor of the city, twice delegate to the Republican National Convention, and for many years Judge of Probate for Hampshire County. For most of his life he was active in alumni matters, and for twenty years chairman of one of the important alumni committees. He never married. He was wise, witty, conservative, shrewd in his judgments of men, and utterly devoted to his college and his fraternity.

For perhaps a generation he served either as toastmaster or principal speaker at the initiation banquet of the Gamma Chapter of Psi Upsilon, and his reputation as an after-dinner speaker spread far and wide. I remember very well one initiation banquet at the chapter house to which I was invited as president of the College. I took with me President Nicholas Murray Butler of Columbia, who was our guest at the president's house at the time and who was also a member of Psi Upsilon. President Butler was himself a master of the art of after-dinner speaking, and delivered a finished address that evening. But the event of the dinner was the witty repartee indulged in between Judge Field and Reverend Sherrod Soule of the chapter in their addresses. When President Butler and I left, he asked me for the addresses of both Judge Field and Dr. Soule, saying he had never heard two wittier addresses at any dinner in his long experience and he wished to write notes to them both on his return to New York.

Judge Field had been personal counsel for the Dickinson family of Amherst throughout his professional career. He had acted for William Austin Dickinson, the college treasurer, for Sue Dickinson, Austin's wife, and later for their daughter Mattie, known as Madame Bianchi.

And I still remember well the one occasion during my term as president when the Gamma Chapter of Psi Upsilon won the Treadway Interfraternity Trophy for Scholarship. I

made the announcement in morning chapel. One of Judge Field's old friends among the alumni happened to be present, and when the service was over he telephoned the news to a bailiff in Judge Field's court, who wrote down the message and passed it up to the Judge on the bench. Two lawyers were arguing a case before the Judge at the time. They were dumbfounded to note the Judge looking down to read the message and then saying, "Now let thy servant depart in peace for he hath seen the glory of the Lord. Court will recess for ten minutes." The Judge withdrew to his chambers, and called the Psi U House on the telephone to inquire if the news was correct. Then he extended his congratulations, and asked the head of the house to have the local photographer take a large picture of the chapter with the cup, send him a copy, and send the bill to him. In ten minutes he returned to the bench, and the attorneys went on with their arguments in the case on trial.

Judge Field's generous bequest was for scholarships, and for education and instruction. The Board established the Field fellowships in history and English.

Two years later occurred the death of a third member of the class of 1880, James Turner. He had underwritten with Arthur Milliken the gift of his class of the 1880 Professorship. He had made many other gifts to the College, mostly anonymous. In 1935 he gave a fund of \$10,000, to which he added \$6,000 the following year, for the religious work of the College, a gift made in recognition of the work of Charles H. Cadigan, '27, then Director of Religious Activities. He had given the Little Red Schoolhouse. In his will he left \$200,000 as an endowment fund for the Alumni Council. This fund, when added to what the Council already had, made the Council self-supporting. Thereafter, all of the annual gift of the alumni was available for college purposes, as the annual expense of the Council could now be taken care of from income on its endowment. And in 1940, at my suggestion, Mr. Turner's brother and sister, William J. and Isabel, gave \$10,000 each in memory of Jim as an endowment for the work carried on in the Little Red Schoolhouse. In 1948, on the

death of his brother, William J., the College received a bequest of \$50,000 for the Alumni Endowment Fund.

In 1938, the College received a bequest of \$300,000 from William A. Sargent of the class of 1879, unrestricted. Mr. Sargent (1858-1936) was born in Boston and spent his entire life there. He had graduated from Boston University Law School in 1881 and been a practicing lawyer in Boston till his retirement in 1916. While Mr. Sargent was never active in alumni matters, he had a strong feeling for his class. He returned to Amherst regularly at commencement, but instead of circulating among the reunion classes he spent most of his time on the piazza of his classmate, Audubon Hardy, on Lincoln Avenue, where members of '79 always made their informal headquarters. There I used to see him. But on the advice of Mr. Hardy, who told me of the generous provision for the College in Sargent's will, I never mentioned the needs of the College. And I never came to know him well.

In 1938, Arthur Curtiss James made his last gift to the College in his lifetime. After the death of his classmate, Frederick J. E. Woodbridge, his closest contacts with the College were his classmate, Professor William P. Bigelow, Miss Margaret Hitchcock, curator of the Hitchcock Memorabilia Room, who was the daughter of a classmate, Fred Allis, and myself. Bigelow decided to retire from the faculty a year before the retirement age of 70. He had lived for many years in his own house at the corner of Orchard Street and Northampton Road, and on his retirement Mrs. Bigelow and he wished to move to a smaller house. Fred Allis brought the matter to the attention of James, after consulting with me. James then gave the College \$20,000, without formal restrictions but with the understanding with Allis and me that the College would buy the Bigelow house for \$20,000. This would give the Bigelows the additional income on \$20,000, it would give the College a fine faculty house, and it would enable James to do for his classmate indirectly what he knew well his classmate would not accept directly. Bigelow had the additional satisfaction of seeing his successor in the Department of Music, Professor Vincent Morgan, succeed him in the Orchard

Street House, and remarked to me when I told him that I was assigning the house to Morgan that he believed in the apostolic succession in music.

Mr. James was in poor health for many years before the end. And Mrs. James was also an invalid. Four nurses were always in the house, three for Mrs. James and one for Arthur James. When the doctors told him he could no longer sail the *Aloha*, for which he had an extraordinary affection, he ordered her broken up. No one else should sail that majestic ship. He then acquired a large motor cruising yacht which he named the *Aloha Lei* (the small Aloha). Mrs. King and I saw him every year, sometimes at Vineyard Haven on Martha's Vineyard, sometimes at his lovely home, "Four Winds," at Coconut Grove, Florida. Whenever the *Aloha Lei* put in at Vineyard Haven on a summer cruise, he would send word to us to dine with him aboard, and whenever we went to Florida on a short winter holiday we would call on him at Coconut Grove. He told Fred Allis once that I was one of the few people who came to see him regularly who never asked him for anything. And this of course was true. There was no alumnus of his time who was more deeply devoted to the College or had given to it more generously.

In June 1941 he died, a few weeks after the death of his wife. After her passing he had nothing more to live for; they had never had children. I arranged with the executors to have the house flag of the *Aloha*, the star and crescent, presented to the Amherst Chapter of Alpha Delta Phi. At the public auction of the furnishings of his great Park Avenue home, Professor Charles H. Morgan of our faculty bought and presented to me an oil portrait of the *Aloha* in Vineyard Haven Harbor which James had commissioned years before and which hung in his study. His homes were sold, and after the payment of a number of personal bequests, the residue of his estate passed to the James Foundation, Inc. On his death the College became the beneficiary of four-eighteenths of a trust fund set up by him in 1930. The College's share amounted to some \$340,000. In addition, the College received from the James Foundation, Inc., some \$97,000 dur-

ing the years 1942 to 1946 inclusive, all of it for current purposes.

In 1945-46 the College received an entirely unexpected bequest under the will of Elmer W. Wiggins of the class of 1901. Elmer Wiggins (1878-1944), was born in Warsaw, New York. We were contemporaries in college. After graduation he took one year at Massachusetts Institute of Technology, and then entered the employ of the du Pont Company. In 1927 he founded his own company to operate airplanes in New England. We saw each other often, but neither I nor any of my contemporaries knew that he had become a wealthy man. His bequest to the College was \$100,000 for scholarship purposes. His widow threatened to contest the will, and a settlement was made under which the College relinquished \$10,000 of its bequest. The remainder we received in 1946 and 1947.

Under the will of Charles M. Pratt, '79, a former trustee, we received \$25,000. Under the will of his brother, George D. Pratt, '93, a former trustee, we received some \$57,000. Under the will of Everett Alonzo White, '89, we received a bequest of \$30,000, the income to be used for golf and nothing but golf. And under the will of James A. McKibben, '89, for many years secretary of the Boston Chamber of Commerce, we received a bequest of \$18,312. From the estate of Harold W. Stevens we received nearly \$40,000. And under the will of Fred L. Norton, '86, a Boston lawyer, we received nearly \$40,000.

In 1943 we received \$10,000 from the estate of Lucius Root Eastman, '95. And in 1947 his widow added \$40,000 to the Fund. Lucius Eastman was one of seven brothers who graduated from Amherst. His father was a member of the class of 1857, his grandfather a member of the class of 1833; his great-grandfather was a contributor to the Charity Fund of the College in 1818-1819. His two sons graduated from the College, and his daughter married a graduate. After graduation Eastman studied law at Boston University and was admitted to the bar. In 1905 he became president of Hills Brothers Company, distributors of Dromedary Dates and

later of other food products, a concern in which his wife's family were the principal owners. He was active in alumni matters, chairman of the Alumni Council, trustee of the College, chairman of the Executive Committee of the Board, and active in many civic and philanthropic causes. For five years he was American representative on the economic committee of the League of Nations.

During the period under review the College received large gifts for endowment from its living alumni and friends. The most unusual were the gifts for the Joseph B. Eastman Foundation. Joseph B. Eastman (1882-1944) and I entered college together and were lifelong friends. Born in Katonah, New York, the son of Reverend John H. Eastman of the class of 1869, Joe Eastman graduated from Amherst in the class of 1904. For the following year he was Amherst Fellow at the South End House in Boston and for seven years secretary of the Public Franchise League in Boston. He was counsel for the unions in various wage arbitrations in 1913-1914. In 1915 he was appointed to the Public Service Commission of Massachusetts. In 1919 he was appointed to the Interstate Commerce Commission by President Wilson and continued as a member of the Commission until his death. He was Federal Coördinator of Transportation under the Emergency Railway Transportation Act from 1933 to 1936, and during World War II he was Director of the Office of Defense Transportation for the country. He died in office in March 1944. On June 4, 1945 the Medal of Merit was awarded posthumously to him, his sister Elizabeth receiving the award. This was only the tenth Medal of Merit awarded to a civilian since the foundation of the country. He had served four years as an alumni trustee of the College.

Soon after his death, the College received from some of his friends a letter proposing that a fund be established to be called the Joseph B. Eastman Foundation. They suggested that the Trustees of the College hold and administer the fund because Eastman had received his education at Amherst and was serving as a trustee at the time of his death. The prime mover in the proposal of the Foundation was Fay-

ette B. Dow of the class of 1904, and the letter was signed, in addition, by Gilbert Montague, of the New York Bar, a graduate of Harvard, and by Frank Wright, a former railroad man who had been closely associated with Eastman in his government work. Dow has worked tirelessly for the Foundation. With the exception of gifts from Eastman's personal friends in the alumni body, the fund thus far has been contributed by non-Amherst sources. On July 1, 1948 the Joseph B. Eastman Foundation had capital assets of \$192,-352.70, exclusive of the Research Fund of \$24,130.19.

In 1945 the College received a gift of \$25,000 from Mr. and Mrs. Frank M. Lay of Kewanee, Illinois, to establish a fellowship in memory of their son, Edward P. Lay, of the class of 1922. The fellowship is for graduate work in the field of music or of dramatic arts. Frank Lay graduated from the College in the class of 1893 and has spent his life in business in Kewanee, Illinois, where he has also been active in civic and educational matters. He has always been generous to his alma mater. His son Edward, after finishing his college course, devoted his life to singing and made a marked success in the professional field. His health gave way while he was still a young man, and he died in Santa Fe in 1944.

No college has had a more generous alumnus, year in and year out, than Charles E. Merrill of the class of 1908. Born in Green Cove Springs, Florida, and raised in West Palm Beach, the son of a country physician, Merrill entered Amherst in 1904 and remained for two years. His ambition was to become a lawyer. But he was severely handicapped by the lack of adequate money, and at the end of two years transferred to the University of Michigan, where his law course could begin at the conclusion of his junior year in the college. He found it impossible to earn enough money to support himself at Michigan and resigned at the end of a year and went to work. For four years he worked for George H. Burr & Co. of New York, dealers in commercial paper. In 1914 he resigned and began business for himself under the name of Charles E. Merrill Company. The following year he

formed a partnership with Edmund C. Lynch under the name of Merrill Lynch & Company, bankers. Today Merrill heads the firm of Merrill Lynch, Pierce, Fenner & Beane, the largest banking and brokerage firm in the world, doing about ten per cent of all business done on the New York Stock Exchange. He has received the honorary degree of Master of Arts and later of Doctor of Laws from his alma mater, as well as honorary degrees from other institutions. Each year he makes a generous gift to the College. In the years 1936 to 1946, inclusive, Merrill made thirty-two gifts to the College for various purposes outside of his gifts to the Alumni Fund, and the total of these gifts was over \$150,000. In 1946 he and his partners (he has some eighty) gave over a million dollars to found the Merrill Foundation for the Advancement of Financial Knowledge, with the provision that the trustees should expend the principal and income of the fund within twelve years. Four of the eight trustees are graduates of Amherst: Merrill, '08, Winthrop H. Smith, '16, John J. McCloy, '16, and myself. The Foundation has recently made a subvention of \$5,000 to Amherst for a study of inflation by Professor Lester Chandler of the faculty. Merrill's son James graduated from the College, *summa cum laude*, in 1947.

In the winter of 1943, when I was in Boston with President Baxter of Williams College, he told me that just before Christmas in 1942 he had received a letter from an Amherst alumnus saying in effect that he had bet on the recent Amherst-Williams game with a Williams alumnus and asked him odds, which were given. Amherst, it will be recalled, won the game by two touchdowns, although Williams was the favorite before the game. The Amherst alumnus enclosed with his letter a check to Williams College in the amount of \$500 to be used by the president for some deserving student in need. I told President Baxter that there was only one alumnus who could have sent that letter, and that it was Charles E. Merrill of 1908. It was. The same Christmas, I told Baxter, I had received from Merrill a check for \$5,000. I knew that Merrill gave regularly to other colleges as well as to Amherst.

Perhaps the most interesting story of a gift to the College during my term as president occurred in the spring of 1935. One afternoon James N. Worcester of the class of 1906 called at my office. Worcester was a nephew of James Turner. He had studied medicine at Columbia University and become a surgeon of distinction. In 1932 he had been forced to retire because of a serious brain injury suffered when he was beaten up by a thug on his way home across Central Park in New York City. He told me this story. He had just returned from a holiday in England and still had in his wallet a number of \$100 bills which he had not used abroad. On his return, he decided to drive to Amherst. On reaching Northampton, he stopped at a barber shop for a shave. When the barber had completed his work, Worcester found that he had spent on the trip all his small bills and change, and he was forced to offer the barber a \$100 bill. The barber excused himself to go out and have the bill changed. He returned shortly with two policemen, who promptly placed Dr. Worcester under arrest and locked him up. They refused to tell him on what charge he was arrested. And they refused his request that he or they communicate either with Judge Henry Field of Northampton or with me at Amherst. After several hours, during which he was held incommunicado, the chief of police came to his cell and apologized and said a serious mistake had been made. His change was returned to him and he was allowed to leave. He came at once to my office and said he was so happy to be out of jail and in Amherst that he would like to make a gift to the College in celebration. He asked me what the College wanted at the moment. I countered by asking him how large a gift he contemplated making. He replied that his checking account could stand a check for \$5,000. I told him of the Hitchcock Memorabilia Room and that we had no money for operating purposes. And he then drew his check to the College for \$5,000 for this purpose, with the condition that the gift should be anonymous. The next winter Mrs. King and I saw him on his boat in Palm Beach, a few weeks before his death. No harm can now be done by breaching his anonymity

and telling this extraordinary story of his experience in Northampton.

We have considered the gifts and bequests the College receives for endowment. We have seen that some are given to the College with the restriction that the principal shall be kept intact and that the College shall use only the income. Some are unrestricted but are added by the Board to the endowment; some we classify as unrestricted but treat as endowment. In addition, the College receives a very large number of gifts which are to be used for the current expenditures of the College from year to year. Most, but not all of these, are gifts from individual alumni through the Alumni Fund. We have already followed the history of the Alumni Fund from its beginning in 1906 to 1923 when it was begun again after the interruption made for the Centennial Gift. From 1923, the alumni made an annual gift to the College each year up to and including 1946. The disposition of the gift is made each year by joint action of the Executive Committee of the Alumni Council and the Trustees of the College. In most years from 1923 to 1946 the Fund was devoted to scholarship purposes; in one year it was devoted to the War Memorial; and in one or two years to the general purposes of the College. This alumni gift is, in a sense, a living endowment for the College. For example, an annual gift from the alumni of \$40,000 is equivalent to the income on an endowment of \$1,000,000 at 4%. If the College could count on receiving each year from its alumni a gift of \$80,000, it would be as well off as if it had an additional \$2,000,000 in its portfolio. For, as I have pointed out before, the Alumni Council has its own endowment and all the expenses of the Council are carried by the income from its endowment, so that every gift from alumni to the annual Alumni Fund goes intact to the College.

The gifts of our alumni to the College through the Alumni Fund have been uncommonly generous. From 1906 until the Centennial Gift in 1921, the alumni gave \$139,441 to the Alumni Fund. In the Centennial Gift, 4,044 alumni and friends of the College gave \$3,012,069.26. From 1923 to 1946,

both inclusive, gifts to the Alumni Fund amounted to a total of \$1,087,896. This total was made up of 64,341 separate gifts. In 1923, for example, there were 1,043 gifts, making a total of \$14,983. In 1946 there were 3,504 separate gifts, making a total of \$101,621. In 1947 and 1948 the College raised the Second Century Fund. There were 4,741 gifts, and the total amount raised was \$1,018,907. In 1949 the Alumni Fund was resumed, and there were 3,653 gifts, making a total of \$93,373. Here is the story in summary:

	Donors	Amounts
Alumni Fund		
1906 to 1920		\$ 139,441
Centennial Gift	4,044	3,012,069
Alumni Fund		
1923 to 1946	64,341	1,087,896
Second Century Fund		
1947 and 1948	4,741	1,018,907
Alumni Fund		
1949	3,653	93,373
Total	<u>76,779</u>	<u>\$5,351,686</u>

If we exclude the figures for the Alumni Fund from 1906 to 1920, when it was in its experimental stage, we have nearly 77,000 gifts in a quarter of a century, amounting to over \$5,000,000 over and above the gifts that have come from other sources, from bequests, for the Alumni Gymnasium, for other specific projects of plant or endowment. For its first hundred years, the College made no call on its alumni as a whole for financial support. Its gifts came from a few wealthy alumni and friends of the College. In the last quarter century there were nearly 77,000 gifts from the alumni body through the Alumni Fund, the Centennial Gift, and the Second Century Fund.

We have followed the growth of the endowment of the College from 1821, when the College had only the Charity Fund with a nominal value of fifty thousand dollars restricted for use for scholarships, to 1946, when the Treasurer's Report showed a college endowment of over twelve million dollars, a Folger endowment of nearly seven million

dollars, making a total portfolio of nearly twenty million dollars. We have seen that the loss of the earlier records of the College by fire makes impossible the application of objective tests to determine how well the trustees have managed the endowment entrusted to their care. We have noted that in 1932 the college accounts were completely reorganized by our auditors. We can now apply certain objective tests to determine how well the trustees, and particularly the Finance Committee, handled the investment policy of the College in the years from 1932 to 1946, during my term as president.

No portfolio of any size can safely remain static. Some investments are deteriorating in value, others are increasing in value. The College is not engaged in speculation, but the Finance Committee is exercising a constant vigilance to enable it to withdraw from investments that seem to it to be less sound than when made and to reinvest in securities that seem stronger. This means that the College is constantly selling certain securities and buying others. In the fifteen-year period from 1933 to 1948, for example, the College sold a total of nearly eleven million dollars of securities from the Folger Fund and a total of over twenty million dollars of securities from all other funds. This means a total of sales in fifteen years of thirty-one million dollars, or an average sale of two million dollars each year.

If a sale is made at more than the security cost the College, that is, at more than book value, a gain is made; if a sale is made at less than book value, a loss is made. These gains and losses are not treated as income or expense, but are transferred to a separate account. The Folger Fund, for example, in the fifteen-year period has shown gains of \$1,190,220 and losses of \$139,524, or a net gain of over a million dollars. The gain on the college funds has been \$1,530,874, the loss \$820,623, with a net gain of over seven hundred thousand dollars. These net gains belong in theory to each separate endowment fund, large or small. They show on the Treasurer's Report under the book value of the endowment.

The Treasurer's Report each year shows the book value of the endowments. But each year the auditor makes a calcula-

tion of the market value. On June 30, 1946, the market value of all of the portfolio exceeded the book value by \$4,741,592. On June 30, 1948, the market value exceeded the book value by \$3,253,399.

These figures are significant. They mean, for example, that a gift of \$1,000 to the college endowment in 1932 would in 1948 be represented by securities having a market value of \$1,160 plus a share in the accumulated gain and loss account of \$80, or a total of \$1,240. They mean, therefore, that every \$1,000 in the endowment in 1933 has prospered in the same way. And they mean that, in addition, the College has had each year, to spend for current purposes, an income from each \$1,000 of about \$41.50, or 4.15%. These figures are based on calculations made by the treasurer's office for the entire portfolio. The figures for the Folger Fund and for the Consolidated Fund would vary slightly, plus or minus.

Chapter Ten

CONCLUSION

The history of the College for the century and a quarter since its foundation parallels the most interesting period in the history of the country. When the College was founded, the United States was a small agricultural economy stretching along the eastern seaboard. There were no railways. Transportation was by water or by inadequate post roads. The cities and towns on the New England seaboard had acquired some wealth from shipping and commerce. But there was no large-scale manufacturing either in New England or elsewhere in the country. Water power had not been effectively harnessed. Barbour's description of the town of Amherst and its neighbors lists the only significant manufactures as "hats made of straw."

It is interesting to inquire where the wealth came from which contributed from decade to decade to the growth of the endowment of the College. We have seen that the earliest large gifts to the College's endowment came from Samuel Williston, whose fortune was made in the manufacture of cloth covered buttons in Easthampton. The Sears fortune in Boston came from shipping and commerce, and only a small amount reached Amherst College in the Sears Fund. Samuel Hitchcock made his start in merchandising, and built up his fortune by investments in the growing country. Dr. Walker made his start in his profession and then built up his savings by shrewd investments.

An examination of all the substantial gifts received by the College shows that by far the largest part of the endowment

of the College came from the oil industry, and came from one group of companies in the industry, the Standard Oil group. The Folger Fund, including the building and the collections, amounts to some ten million and a half, the three Folger professorships to another half million. All of the Pratt gifts, the Babbott gifts, the Harkness professorship, the \$350,000 gift of the General Education Board in 1921, and the subventions from the Rockefeller Foundation for ten years for work in Biology came from fortunes made in Standard Oil. Altogether, these add up to nearly fifteen million dollars, or about half of the present total resources of the College. The large gifts of D. Willis James and Mrs. James, and of his son, Arthur Curtiss James, and of the James Foundation, were made from fortunes accumulated primarily in copper and railways. The Billings gift and the Kennedy gift came from railways. The Morrow, Schiff, Converse, Henry Morgan, and Merrill gifts came primarily from banking. The gifts of William H. Moore and his family and of Andrew Carnegie came from steel. The gifts of Mr. and Mrs. Mead, of Field, Sargent, Valentine, Simpson, Tyler, Kirby came from professional activities, in architecture, in law, in medicine. The Fayerweather gift came from leather, the Plimpton gifts from publishing books, the Sage gift from railways, street railways, and shrewd stock market operations.

Another interesting comparison involves the gifts that have come to the College by will and the gifts that have come from living donors. The first wills under which the College was a beneficiary were the will of President Zephaniah Swift Moore, who died on June 29, 1823, and the will of Adam Johnson of Pelham, who died two months later. The Johnson will was contested by the brother of the testator, who won in the Probate Court. The College appealed to the Supreme Judicial Court of Massachusetts, and in 1828 the court upheld the bequest to the College. The amount of the bequest was \$4,000, which was used to help pay for the chapel, and the chapel has given Adam Johnson a permanent memorial on the Amherst campus. President Moore in his will left his widow some \$4,000, with the right to use both

income and principal as she needed. On her death some thirty-five years later, the College received the Fund, which then amounted to some \$9,000. One-third of the income, under the terms of President Moore's will, has been added to principal each year since the Fund came to the College, and the principal of the Moore Beneficiary Fund now amounts to over \$33,000.

As we look back over the long record of gifts which have come to the College for endowment and for buildings and equipment, we see how large a part of the total has come from bequests under wills. And this is not surprising when we reflect that men are likely to wish to retain their capital in the enterprises in which they are engaged during their active lives. I have made an analysis of all gifts received by the College from July 1, 1933, to June 30, 1946; gifts for endowment, gifts for plant, and gifts for current purposes. Total gifts for this period were about \$6,150,000. Of this total, some \$4,380,000, or more than 70%, came under wills, or trusts that took effect at the death of the donor. I have included in this total the gifts received by the College from the James Foundation, Inc., in view of the terms of the James will. In the gifts received during the same period from living donors, amounting to some million and three-quarters, or 28% of the total, I have included gifts from foundations, such as the Rockefeller Foundation and the Carnegie Corporation, subventions for research projects from Research Corporation and others, annual gifts to the Alumni Fund, etc. The compensation received by the College from the Folger Memorial Fund is not included in either category, though it might well be added to the total of gifts coming to the College under testamentary provisions of a donor.

Some of the benefactors of the College have made large gifts during their lives as well as generous bequests in their wills. In this group would be included Samuel Williston, William J. Walker, Henry Winkley, D. Willis James, Arthur Curtiss James, Dwight W. Morrow, Arthur Milliken, James Turner, Edmund C. Converse.

Some have made most generous bequests who gave little,

or perhaps nothing, to the College during their lifetime. In this group would be included Daniel Fayerweather, Mrs. Sage, Henry T. Morgan, John S. Kennedy, E. M. Currier, Amos R. Eno, John Davenport, Samuel Valentine, William A. Sargent, William R. Mead, Henry P. Field, Henry C. Folger, Frank G. Nelson, and William Nelson Cromwell.

And some who were generous donors while they lived made no bequests to the College in their wills. Mrs. Folger, for example, who had given over three million to the Folger Memorial Fund during the latter part of her life, had little left to bequeath in her will.

That the College is continuing in the postwar years to receive generous support from its friends is indicated by the Treasurer's Report for the year ending June 30, 1949. The total of gifts and grants for the twelve months preceding amounted to almost \$1,300,000. The largest item was the Valentine bequest of \$465,618. Samuel H. Valentine graduated from the College in the class of 1867. For the next two years he studied law at Columbia Law School. For nearly forty years he practiced his profession in New York City, specializing in admiralty law. From 1906 until his death in 1916, he managed his investments. The College received under his will a bequest of \$5,000 for the beautification of the campus. His wife survived him for some twenty years. Under her will, after a life estate to her sister which fell in in 1948, the College received one-sixth of the residuary estate. In 1941 the College anticipated the bequest by erecting Valentine Hall and naming it after Mr. and Mrs. Valentine. The cost of the building and equipment was slightly under \$300,000, which the College took from unrestricted funds and replaced in 1948, when the Valentine bequest was finally received.

The second largest gift in the year 1948-49 was the bequest under the will of William Nelson Cromwell of New York. Mr. Cromwell, a leader for two generations of the New York Bar, was not a graduate of Amherst, but three of his partners — Harlan F. Stone, '94, Eustace Seligman, '10, and Oliver B. Merrill, '25 — were graduates, and two of these were trustees of the College. During the year, the College received

\$205,400 on account of the bequest, and the Board established the William Nelson Cromwell Chair of Jurisprudence.

The third important bequest received during the year was \$183,735 under the will of Frank G. Nelson of the class of 1873. Nelson was a classmate and a roommate of my father in college. I had known him since I was a boy, as he was a frequent guest at our home. After graduating from college, he taught school for six years, was an accountant for several corporations, and in 1887 entered the employ of the American Telephone & Telegraph Company, where he became statistician and assistant treasurer. He remained with the telephone company until his retirement in 1920, at the age of sixty-eight. His avocation was fishing, and in early life he took his vacation each year on a different stream or lake and paid the expenses of the trip by articles for the magazines devoted to this sport. In 1935, at the age of eighty-three, he married for a second time. Nelson was very close-mouthed about his personal affairs, but he discussed his finances with me and his proposals for including the College in his will.

His original wish was to provide a building suitable for a faculty club and for alumni who visited Amherst. At about this time the College was making over the Sidney White homestead on South Pleasant Street for a faculty clubhouse, and I took Nelson down to show him what we were doing. He asked me if any of the faculty played billiards. I replied that the Faculty Club owned a pool table and that pool was very popular with the professors in the late afternoon. Nelson said he regarded pool as a debased game and he would do nothing to encourage it, but he would like to see the faculty playing billiards. At my suggestion, he presented the Faculty Club with a new billiard table, and the game promptly became more popular than pool. And Nelson then gave the Club a second billiard table. Once a year he visited the Club with a teacher of Monson Academy who was a neighbor of his, and played a game of billiards against a faculty team, the senior member of which was some fifteen years Nelson's junior in age. And several times each year,

Mrs. King and I would visit Nelson either in his Monson home or at his hotel in Florida. He survived his second wife and all his classmates, and died alone at home at the age of ninety-five. About half of his estate came to the College under the provisions of his will, a part for the endowment of the Faculty Club, and the remainder for the Alumni Endowment Fund.

In addition to these three large bequests, the College received in the year 1948-49 some \$115,498 toward the Second Century Fund, and other gifts to endowment of \$68,582. For current expenses the College received during the same year gifts and grants of \$246,823, including \$66,948 in the Alumni Fund.

The total of gifts, grants, and bequests received during the year was \$1,298,074.

We have examined with some care the performance of the nine treasurers of the College. We have seen the continuing work of the Finance Committee, and particularly the vital part played by the successive chairmen of the Finance Committee in the conservation of the College's endowment. What of the eleven presidents of the College? What influence have the presidents of Amherst had on the development of the College's endowment?

Zephaniah Swift Moore lived too short a time to affect materially the college finances. Heman Humphrey served as president for twenty-two years. These years were a continuing struggle to pay the college debts. They ended in failure and Humphrey resigned his office as a result. Humphrey was a good man, but he does not appear to have had the qualities necessary to handle the financial problems of the young and struggling institution. Hitchcock served as president only nine years, but he saved the College from extinction, as we have seen. He established the financial credit of the institution, he gave people confidence that the College was a sound, going concern, and gifts to endowment resulted. For the first time the college budget was balanced and kept in balance, for the first time the College was in a position to use the gifts it received to establish permanent funds instead of

using them to pay debts. Hitchcock was our first great president.

Stearns served as president for twenty-two years. He personally secured some large gifts for the College, including the gifts from Dr. Walker. The total gifts to the College during his term are given by Tyler as about three-quarters of a million dollars. This was a very large amount for that time in the College's history. The College's finances during most of Stearns' term of office were in the hands of Edward Dickinson, an able treasurer. But Stearns grew old in office, and when the crisis of 1873 struck, Stearns did not have the necessary qualities to keep his budget in balance. As a result, the Finance Committee in its report of 1875 transferred some of Stearns' duties to the new treasurer. Stearns was too gentle and kindly to meet the problems arising from the financial crisis. He did not have the firmness and the drive of Hitchcock. Stearns made many friends for the College; he apparently had an unusual capacity for friendship. Hitchcock was more angular, more blunt and outspoken, but he was a better skipper in a time of crisis.

Seelye was a man of a different type from either Stearns or Hitchcock. He was the first president of Amherst who was a man of the great world. He had served with distinction in the Congress, and might have had a distinguished political career if he had not returned to academic life. He had traveled around the world, and met the leaders in other countries. In the fourteen years he held the office of president, the gifts to the College, according to Tyler, amounted to more than eight hundred thousand dollars. There was no Plimpton on the Amherst Board in those days; the president had to be the spearhead in raising money. And Seelye was obviously successful in this, as he was in administering the College. We have seen that a small volume of his lectures stimulated Mrs. Stone to give some seventy-five thousand dollars to the endowment. D. Willis James gave two funds of one hundred thousand dollars each, out of respect for Seelye. Chester Chapin gave a fund of fifty thousand dollars out of similar respect. This record is unique in the history of the

College before or since. The gifts during Stearns' administration of twenty-two years averaged some thirty-five thousand dollars a year; the gifts during Seelye's administration averaged some sixty thousand a year.

Seelye was succeeded by Gates, who served actively for eight years, when he was forced by the Board to tender his resignation. The gifts to the College during his term amounted to about four hundred and fifty thousand dollars. Some of them were made from affection and respect for Old Doc; this was the case in the gifts of the Pratt brothers. One, of one hundred thousand dollars, was made specifically out of respect for Seelye. The Fayerweather legacy, part of which was paid during Gates' term, was due, as we have seen, to the advice of Dr. Roswell Dwight Hitchcock, an alumnus. I find no substantial gifts to the College during this period which can be credited to the president.

Harris was the seventh president and served for twelve years. He failed to keep his budget balanced for nine of these years. The total net deficit from operations during his term was nearly fifty thousand dollars. The gifts to the College during the Harris administration amounted to nearly a million dollars, or an average of some eighty thousand dollars a year. Harris was a man of the world; he was urbane, charming, and humorous. He made friends easily, and he made few enemies. Meanwhile, Plimpton had become president of the Board and had taken the leading part in building up the College's endowment. A large part of the gifts to Amherst during this period are to be credited to Old Doc Hitchcock or to Plimpton.

In 1912 Alexander Meiklejohn became president and served for eleven years. He was uninterested in the budget, as we have seen, and, as a result, the College operated at a deficit for ten of his twelve years. The total accumulated net deficit during the Meiklejohn term was over three hundred thousand dollars. The Centennial Gift of three million dollars was raised during Mr. Meiklejohn's absence in Europe and without the slightest assistance from him. Total gifts to the College during Mr. Meiklejohn's term outside of the Cen-

ennial Gift amounted to some three million dollars. For most of these gifts the president had no responsibility. Some of them were made in spite of the critical attitude of the donor toward the president. The bequest of Mrs. Sage, which came during this administration, had no relation to the president. On the other hand, several generous gifts to the College during this period were made by donors who were devoted to the president and were his strong supporters. Mr. Meiklejohn had made it a condition of his acceptance of the office that he should not be expected to raise money for the College, and this condition had been accepted by the Board. Mr. Plimpton was at this time in the full stride of his money-raising activities. A careful analysis of the large gifts of this period leads me to the conclusion that the gifts made because of friendship or admiration for the president, the gifts, in other words, which should be credited to the president, amounted in total to less than the deficit which his management of the budget resulted in. And there is ample evidence that certain prospective donors stimulated by Mr. Plimpton decided not to make gifts to the College after talking with the president and learning his views.

George D. Olds succeeded Meiklejohn as president. He was perhaps the most beloved president that Amherst had had. He had the respect and affection of all of the alumni. Nine years before he became president, a generous alumnus had given the College a fund of a hundred thousand dollars to found a professorship of economics, and had named it the George D. Olds professorship, although Olds was a professor of mathematics. Olds managed the budget well. He was seventy years old when he assumed the presidency, and he made it a condition that he should not be expected to raise money. But the gifts to the College during his administration amounted to over six hundred thousand dollars, and were at the average rate of one hundred and fifty thousand dollars a year. Most of these gifts were stimulated by Plimpton, but friends of the College were happy to give to an institution headed by Olds.

Stanley Pease succeeded Olds, and he too made it a con-

dition that he should not be expected to stimulate gifts to the College. Mr. Pease managed his budget with care and foresight. During his five years in office, the operations showed a surplus four years, and the net accumulated surplus of his term was over sixty thousand dollars. During his term the College received some very large gifts. The total was about two million and a half dollars. And during his term Mr. Folger died, and the Folger Fund came to the Trustees. Most of these gifts were not due in any way to Mr. Pease; most of them were stimulated by Plimpton or Allis. Mr. Pease devoted his attention to the academic administration of Amherst and to the management of the budget. He was a conscientious administrator, and the college finances prospered.

During the fourteen years that I occupied the president's office, I watched the budget with the greatest care. Our operations showed a surplus of income over expenditure during thirteen of these years. I came into office in the midst of the depression, and the latter years of my term were war years. We seemed to be living in times of continuing crisis. My first year was the most difficult from the point of view of the budget. The budget had been made up by my predecessor, Mr. Pease, and had been carefully checked by me in my capacity as chairman of the Executive Committee of the Board. It showed a small budgetary surplus. In the middle of my first year, our income was suddenly cut fifty thousand dollars by the reduction in compensation from the Folger Fund. My faculty colleagues gave me the most wholehearted support in saving every cent it was possible for them to save. We closed the year with a surplus of one thousand dollars. During my term we were able to build up a working capital fund and an income reserve fund, both out of surplus income. These two funds together amounted on June 30, 1946, when I retired, to a total of over six hundred thousand dollars.

When I accepted the office of president, I did not ask the Board to relieve me of responsibility for stimulating gifts to the College. Mr. Plimpton told me, at the time, that he had

been raising money for Amherst for some forty years, and that he wished to be relieved of this burden. I asked him who was to take his place in this enterprise, and he said it was obvious that it was my opportunity.

During my term I kept the begging bowl polished, and whenever I left Amherst, I took it with me. The alumni were most generous in support of their alma mater, both in gifts from the living and in provisions in their wills in behalf of the College. The treasurer's office advises me that during my term gifts to endowment amounted to \$4,709,603, gifts to plant to \$565,764, and gifts for current purposes to \$747,030. The total is therefore \$6,022,397.

A college is a society of scholars and a group of students. The scholars devote their lives to teaching and to study; the students spend four years in the classrooms, and then pass into the body of the alumni. The work of the College goes on with generation after generation of young undergraduates who in turn become alumni. Amherst has been extraordinarily fortunate to have in every generation a few great teachers and a large number of good teachers; these we remember with gratitude and affection throughout our lives. But behind the teachers and the students, and supporting their work, are the trustees; most of them are laymen; for three-quarters of a century most of them have been alumni. And besides the trustees, there are the generous men and women who have given to the College with great liberality according to their means, and who have made possible the present plant and the present endowment which support the College of today and of tomorrow. A handful of them have had their names attached to buildings on the campus, beginning with Adam Johnson, the Pelham farmer with a wooden leg. The names of a few others appear each year in the catalogue attached to a named professorship or fellowship or prize. But most of them are, and must always be, anonymous except as they are recorded in the Gift Book in the treasurer's office. The undergraduates spend four years in college and know nothing of the work of the trustees; I do not recall that during my undergraduate course I ever saw a trustee, or was

curious enough to inquire what the functions of the trustees were. And most undergraduates know nothing about the men and women who have been benefactors of the College.

Amherst has been particularly fortunate in that in each generation it has had able and devoted men on its Finance Committee and the earlier Prudential Committee, who have safeguarded the investments of the College so that its endowment might go on generation after generation in support of the enterprise of education. We have seen who have been the leaders of the Finance Committee: Henry Edwards, G. Henry Whitcomb, John W. Simpson, Dwight W. Morrow, Robert W. Maynard, and George E. Pierce. These men have carried a heavier responsibility and in every case, as far as I can find, have done more hard work for the College than their contemporaries on the Board. They had to, because they knew how much depended on their action.

We who are the college of today — the faculty, the undergraduates, the trustees, and the alumni — we are all deeply in their debt. Their work made possible our own education at Amherst, if we are Amherst men. Their work made possible the present plant and the present educational facilities — the courses, the laboratories, the libraries, the playing fields, the dormitories and the campus, and the present group of teachers who comprise the faculty of today. They did their work well, as we have seen, and they did it without hope of reward except the satisfaction of work well done, for there was, and is, no other reward for the service they rendered.

And we have seen the work of the treasurers of the College: John Leland, Edward Dickinson, William Austin Dickinson, George Henry Whitcomb, Joseph W. Fairbanks, Walter M. Howland, Harry W. Kidder, Charles A. Andrews, and Paul D. Weathers. John Leland handled debts; Paul D. Weathers manages, under the Finance Committee, a portfolio of over twenty million dollars, and a budget of a million and a half dollars each year.

Amherst College, like every other college in the land, faces today an uncertain future. But anyone familiar with her history can face it with confidence. The College was founded in

the difficult days following the Napoleonic wars in Europe and the War of 1812 in this country. It faced the only desperate crisis in its affairs some twenty-five years after it opened its doors. It was saved from bankruptcy and extinction by a president of indomitable faith, of great courage, and of resourcefulness, by two wealthy men who had confidence in its mission, and with the assistance of three relatively small grants from the government of the Commonwealth. It survived the Civil War, the crisis of 1873, of 1893, of 1907, two World Wars, the world-wide depression of 1929 to 1937. It weathered two internal crises, one in the 1890's and one in 1923. It is today stronger in plant, in financial resources, in reputation, and in the devotion and support of its alumni than ever before in its history. With a strong and united faculty, led by an able president, with a strong Board of Trustees, and with more than eight thousand alumni who are giving generously to its support every year, it cannot fail.

It is true, of course, that a large part of the endowment of the College and a large part of the college plant we owe to the gifts and bequests of wealthy men and women. And it is also true that in our present social structure and with existing tax laws it is going to be difficult for men to acquire substantial fortunes in the future from which large gifts and bequests can be made to educational institutions like Amherst. But there is another side to this picture which is often overlooked. Let me give an example. In 1918 the College raised an endowment fund for teachers' salaries of \$653,411. There were seventeen donors. The largest gift was \$336,411; the average gift was \$38,000. When one of these generous donors died, if one of these donors became for any reason disaffected, it was a matter of the most serious moment for the College. In the thirty years which have elapsed since this gift, all of the donors have died.

In 1946-1948 the College raised something over a million dollars for endowment for teachers' salaries. This was the Second Century Fund. There was no gift of over \$50,000, but there were 4,741 donors. The average gift was about \$210. There is strength in numbers. And as the donors to the

Second Century Fund pass on from year to year, their places are taken by younger alumni in increasing numbers, who are devoted to their alma mater and who give to her in accord with their means. They give, in general, from income and not from accumulated capital. But the aggregate of their gifts from year to year is very large, as we have seen. They are the bulwark of the College for the future.

The confidence which the founders expressed in Amherst's mission and in its future has been justified manyfold by its contributions to the community and to the enterprise of education. The social structure in which it is embedded has changed almost beyond recognition in the century and a quarter of its life, and the College has changed to meet the new demands on its resources made by society. While its trustees and its faculty grow old and retire, the College remains young, with the vigor and adaptability of youth. The more carefully one studies its history, the more one realizes its fundamental strength, and the more confidence one has in its future.

ACKNOWLEDGMENTS

I gratefully acknowledge the assistance given me in the preparation of this volume by my friends, Walter F. Willcox, '84, John E. Oldham, '88, Marcus A. Rhodes, '03, Ernest M. Whitcomb, '04, Richard B. Scandrett, '11, and Richardson Pratt, '15; by L. A. Keyes, vice-president of J. P. Morgan & Company; by Fred Hawley, president, and Robert S. Morgan, vice-president, of the Amherst Savings Bank. President Charles W. Cole, Professors Otto Manthey-Zorn and George R. Taylor of the faculty, and George E. Pierce, '09, Henry S. Kingman, '15, and Robert W. Maynard, '02, of the Finance Committee of the Board of Trustees have been generous in reading the manuscript and giving me the benefit of their criticism.

Paul D. Weathers, Treasurer, has been of assistance in many ways, has read the manuscript, and has discussed with me many of the questions which have arisen. Rena M. Durkan, secretary to the president throughout my term of office and now curator of the Hitchcock Memorial Room, has been tireless in exploring the archives in her keeping for relevant material, has typed the manuscript, read the proof, and followed the book throughout its preparation. The staff of the Boston Athenaeum, with their unfailing courtesy, have placed the facilities of the Athenaeum at my disposal.

And my wife has shared with me all the problems which have arisen during the study, has read the manuscript, and has provided me at all times with ideal conditions for carrying on my work.

To the Trustees of the College I am indebted for their willingness to sponsor the publication of this study. They of course are in no way responsible for the opinions I express or for the accuracy of the study.

NOTES ON SOURCE MATERIAL

The Hitchcock Memorial Room in Morgan Hall is the repository of the archives of the College. The collection includes all of the extant records of the Charity Fund, files of the catalogues of the College, *The Amherst Student*, *The Amherst Graduates' Quarterly*, the *Olio*, the early literary magazines, reports of presidents, treasurers, auditors, and an immense mass of correspondence. The vaults of the treasurer contain all the extant books of account of the College. The original minutes of the Board of Trustees are in the vaults of the treasurer's office, and the Hitchcock Room contains complete typescript copies of the minutes. The minutes from 1825 to 1923 have been typed, bound, and indexed, and footnotes have been added. The Hitchcock Room also contains bound typescript copies of the minutes of the Executive Committee, the Prudential Committee, and the Finance Committee, except for the recent minutes of the Finance Committee, which are on file in the treasurer's office.

The best sources of background material are the following:

- Amherst College Biographical Record, 1821-1939
- Amherst College Catalogues
- Barber, John W., *Historical Collections*, 1848
- Carpenter & Morehouse, *History of Amherst*, 1896
- Fuess, Claude M., *The Story of a New England College*, 1935
- Hitchcock, Edward, *Reminiscences of Amherst College*, 1863
- Tyler, W. S., *History of Amherst College*, 1873
- Tyler, W. S., *History of Amherst College*, 1895
- Whicher, George F., *This Was a Poet*, 1938

The important source material on which I have relied is the following:

- Original Records of Charity Fund
- Original Books of Account
- Minutes of Trustees
- Minutes of Prudential Committee

Minutes of Finance Committee
Minutes of Executive Committee

Reports of Presidents
Reports of Treasurers
Reports of Auditors

Reports of Finance Committee, 1875 and 1924

Report to Finance Committee, 1920, by Oldham, Halligan, and Kidder

Gift Book

Statement of Assets of College, 1887, in the handwriting of President Seelye

Registry of Deeds, Hampshire County, in Hall of Records, Northampton

Photostatic copies of Ledger Sheets of J. P. Morgan & Co.

Copies of records from Amherst Savings Bank

Correspondence of Alexander Bullock, William Austin Dickinson, Henry Edwards, George Grennell, Alpheus Hardy, Edward Hitchcock, Henry D. Hyde, Arthur Curtiss James, Rufus Bela Kellogg, Harry W. Kidder, Dwight W. Morrow, George A. Plimpton, Charles Pratt, Charles M. Pratt, John E. Sanford, Julius H. Seelye, John W. Simpson, Hezekiah Wright Strong, G. Henry Whitcomb

I have also examined the following:

Memorial of the Trustees of Williams College to the Senate and House of Representatives, December 24, 1823

A Statement of the Affairs of the Amherst Institution on the 4th of October, 1824. Compiled from evidence exhibited to the Committee of Investigation, with affidavits, &c. Pittsfield, December 1824

Report of the Committee Appointed to Inquire into Facts Related to Amherst Collegiate Institution, January 8, 1825

Speech in Support of the Memorial of Harvard, Williams, and Amherst Colleges before the Joint Committee on Education of the House of Representatives on the 7th of February, 1849, by Edward Everett

Sketches of the Early History of Amherst College, by Heman Humphrey. Printed by the College, 1905

History of the Founding of Amherst College, by Noah Webster, reprinted in *Amherst Graduates' Quarterly*, 1946

Memoir of David Sears, by Robert C. Winthrop, Massachusetts Historical Society 44 (Boston Athenaeum)

William Henry Willcox, A Sketch by his Children (Cornell University Library)

Memorabilia of Life of Jedidiah Morse, D.D., by Sidney E. Morse, 1867

Records from the Life of S. C. S. Wilder, 1865

"Our First Men": A Calendar of Wealth, Fashion and Gentility, containing a list of those persons taxed in the City of Boston, credibly reported to be worth One Hundred Thousand Dollars; with Biographical Notices. Boston, 1846

Address of Henry Clay Folger at Founder's Day of Pratt Institute

From Utopia to Florence, by Alice Eaton McBee, printed in *Smith College Studies in History*, 1947 (Converse Memorial Library)

The above will be found in the Hitchcock Memorial Room except where otherwise noted.

I have relied on a number of standard reference works, such as The Dictionary of American Biography, National Dictionary of Biography, Appleton's Dictionary of Biography, Poor's Manuals, Who's Who, Boston Directories, and the complete files of the Commercial & Financial Chronicle, which are available in the Boston Athenaeum.

Mistakes in addition will be found in some of the tables in the Appendix. The early bookkeepers did not have the advantage of mechanical computing machines.

APPENDIX

CHARITY FUND

Auditor's Report — 1822

THE FIRST ANNUAL REPORT TO THE BOARD OF OVERSEERS OF THE COLLEGIATE CHARITY INSTITUTION IN AMHERST BY THE AUDITOR OF SAID BOARD rendered August 28, 1822

The auditor having attended to the duties of his office respectfully

REPORTS

That the books and files and vouchers, in the hands of the Financier, relative to the Charity Fund, were found to be kept with care, order, & accuracy; & in a manner well calculated to guard against accident or mistake.

It appears upon examination, that the instrument to which the several sums were subscribed, which constitute the aforesaid Fund bears date May 23rd 1818, and it is provided in & by the same instrument, that all sums thereunto subscribed shall be voidable, unless the same shall amount to the full sum of *Fifty thousand dollars*, within one year from the aforesaid date. It however appears that the sums subscribed between May 23rd, 1818 & May 12, 1819 (within the year limited) amounted to *Fifty one thousand seven hundred & thirty four dollars*; and the sums subscribed since May 12, 1819 amount to four hundred & sixty dollars; making the whole amount of the subscription to the Charity Fund *Fifty two thousand one hundred & ninety four dollars*

\$52,194.00

Of this sum seven thousand four hundred & one dollars & twenty-five cents, have been paid, of which sum seven thousand two hundred & thirty three dollars & thirty three cents have been loaned by the Financier upon security of real estate

7,233.33

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Sixteen thousand & thirty eight dollars are secured by notes of the original subscribers	\$16,038.00
Fifteen thousand dollars secured by Bond,	15,000.00
Making the whole amount secured by Mortgage, Notes, & Bond	<u>38,271.33</u>
Four thousand five hundred & fifty four dollars & eighty eight cents, subscribed in real estate, has been deeded	4,554.88
Land has since been purchased by the Trustees to the amount of twelve hundred & eighty four dollars & eighty eight cents	1,284.88
The Financier has received & is chargeable with interest paid on the Fund notes & bond three thousand two hundred & twenty eight dollars & three cents	3,228.03
Principal received & not loaned	167.92
	<u>3,395.95</u>
And the Financier has paid for Real estate purchased by the Trustees, which Real estate is considered a part of the permanent Fund	396.13
Voted by the Trustees at sundry times, to the Financier, for his services	1,287.00
Financier's account for expenses, etc. while in the service of the Board	180.67
Paid for fencing college lot	70.29
Paid John Leland, Esq., Treasurer	1,373.75
Loaned & secured by a joint Note	650.00
	<u>3,957.84</u>
Deduct — due to Seth Nelson & Dudley Phelps & secured by their mortgage, above the sums paid them	285.00
	<u>3,672.84</u>
Amount rec'd by Financier	3,395.95
Which leaves a balance due the Financier of two hundred & seventy six dollars & eighty nine cents.	\$ 276.89

And the Auditor further — Reports

That he has examined the books & vouchers of John Leland, Esq., Treasurer of the Institution, from which it appears that of \$1373.75 the amount of

interest on the Fund notes received by him, \$150 have been appropriated by the Trustees for the payment of the tuition of Beneficiaries in the Academy. The residue \$1223.75 has been paid to the Officers of the Collegiate Institution & appropriated for the support of Beneficiaries in said Institution.

All which is respectfully submitted

Lucius Boltwood *Auditor*

CHARITY FUND

Auditor's Report — 1828

To the Board of Overseers of the Charity Fund of Amherst College:

The Auditor of said Board, having examined the Books and securities in hands of the Financier relative to the Charity Fund, submits the following detailed report: which shows the amount of said Fund; from whom due; the security upon which it rests; the amount of Interest paid the past year, and the amount of Interest now due and unpaid — also the Appropriation of Principal and Interest paid —

From whom due	Date	Security	Sum	Whole Int. Paid	Int. pd. last year	Int. due & unpaid
Calvin Ammerdown	Sept 6. 1824	Note	150.			36.
Cephas Blodget	July 13. 1819	"	100.	3.		51.
Elisha Billings	May 10. 1825	"	300.	54.	18.00	
Enos & Alfred Baker	Aug. 1. "	"	600.	109.35	36.00	
Lucius Boltwood	May 23. "	"	100.	6.		12.
Rodolphus Bardwell	Ap. 19. 1827	"				6.
Joseph W. Bowman	May 23. 1825	"	200.	24.		12.
Caleb Burbank	Ap. 23. 1826	"	100.			20.
Elijah Burbank	Oct. 1. 1824	"	50.			9.
Joab Bartlett	May 18. 1821	Note & Mort.	1700.	733.12	208.50	
Gaius Bliss	Sept. 27. 1824	Note	12.00	2.88	0.64	
Elijah Boltwood	Aug. 12. "	Bond	500.	60.		60.
Moses Bond	Aug. 7. 1819	Note	300.	36.		126.
Gaius Bliss	May 3. 1822	"	20.	10.80	1.20	
Eben ^r . Childs	Feb. 25. 1821	Note & Mort.	600.	254.	36.00	54.
Samuel Clark	Aug. 13. 1819	Note	100.			
Eben ^r . Clark	May 23. 1825	"	50.	6.	9.00	3.
Joseph Cows	July 14. 1819	"	100.	54.		
Seth Clark	May 10. 1825	"	43.46	2.60		5.20
Abner Cooley	July 24. 1819	"	200.			100.00
Oliver Cooley	Jany. 23. 1826	"	233.70			28.04
Joseph Cushman	Aug. 1. "	"	20.00			2.40
Charles Cooley	Jan. 23. "	"	73.			8.86
Joshua Crosby	May 23. 1825	"	80.	18.00		
Church & Russell	Ap. 9. 1828	"	150.			
Trustees of Amherst College	" 1. 1826	Note & Mort.	10000.	1200.	600.	
Do.	Feb. 5. 1827	Note	559.83	33.59	33.59	
Do.	Ap. 1. "	"	300.			18.00
Do.	" " 1828	"	300.			
Joseph Carew	Oct. 1. 1824	Bond	100.	18.		6.
Enos & Lucius Dickinson	Feb. 7. 1827	Note	500.	30.	30.00	
Samuel Druce	Jan. 29. 1821	"	53.	22.28	9.54	3.18
Moses Dickinson & others	Aug. 17. 1824	Bond	1000.	240.	180.00	
Lucinda Dickinson	July 13. 1819	Note	100.	42.		12.
			18694.99	2959.62	1162.47	572.68

Carried Over —

Names	Date	Security	Sum	Whole Int. Paid	Int. pd. last year	Int. due & unpaid
Amt. Bro't over.			18694.99	2959.62	1162.47	572.68
Joseph Estabrook	Sept. 16, 1819	Note	1000.	360.		180.
Jonathan Eastman	May 23, 1825	"	100.	18.	25.40	
Jacob Edson	Ap. 1, 1824	Note & Mort.	275.	66.		
Thomas & George Fox	Aug. 31, 1825	" & "	200.	23.	12.00	12.
Elisha Fiske	Jan. 29, 1821	Note	25.	7.50		6.
Joseph Field	July 20, 1819	"	200.			108.
Job Goodale	May 23, 1825	"	150.	15.		18.
P. & D. Goddard	Sept. 28, 1824	"	50.			12.
Joseph Goffe	Oct. 1. "	"	50.	9.	6.00	3.
Salmon	Feb. 14, 1823	"	43.70			13.11
Rufus Graves	Mar. 10, 1827	"	212.70			12.76
George Guild	Aug. 12, 1824	Bond	150.	27.	9.00	9.
Erastus Graves	Mar. 23, 1826	Note	600.			72.
Do.	July 23, 1827	"				80.
Richard Hunt	Jan. 23, 1826	"	25.	3.	3.00	
Joseph C. Heath	Sept. 6, 1824	Bond	100.			24.
Warren S. Howland	Aug. 12. "	"	150.	27.	9.00	9.
Heman Humphrey	Oct. 4. "	"	300.	66.	18.00	18.
Rufus Hastings	May 23, 1825	Note	50.			9.
John Hooker	Sept. 30, 1824	Bond	200.	30.		6.
Jacob Ide	July 15, 1822	Note	50.	3.		15.
Edmond Longly	" 19, 1819	"	100.	54.	12.00	
John Leland	" 13. "	"	150.	81.	9.00	
Joseph Lyman	Jan. 23, 1826	"	50.			6.
Hezekiah Mattoon	" " "	"	50.			6.
Henry Merrill	Oct. 6, 1824	"				72.
Leander Merick	Aug. 13. "	Bond	200.	24.		24.
Moses & David Montague	" 1, 1826	Note	100.	12.	6.00	
George Macomber	Nov. 6. "	Note & Mort.	1050.	89.	89.00	
Calvin Merrill & Son	July 13, 1819	Note	300.	72.		90.
Azor Moody	" 30, 1822	"	300.	126.		18.
Seth Nilson	Aug. 14. "	Note & Mort.	1200.	377.94		
Zebina Newcomb	May 23, 1825	Note	50.	9.		6.
Samuel Osgood	Sept. 30, 1824	Bond	50.	6.		
Alpheus Osborn	Mar. 23, 1826	Note	87.	30.		
Asa Orcutt	" 12, 1827	Note & Mort.	800.			48.
Experience Porter	Nov. 1, 1822	Note	88.	30.	6.00	
Thomas Parsons	Sept. 8, 1819	"	100.	30.		24.
" "	Oct. 6, 1824	"				37.20
Benja. Page	Aug. 6, 1819	"	100.	48.	12.00	6.
Sybil Parmenter	May 23, 1826	"	50.			6.
John Rankins	Sept. 30, 1824	Bond	100.	24.	24.00	
David Richards	" 29. "	Note	50.			9.
Stephen Rhodes	Jan'y. 30, 1821	"	50.	3.		18.
			26651.39	4630.06	1402.37	1449.75

Names	Date	Security	Sum	Whole Int. Paid	Int. paid last year	Int. due & unpaid
Amt. Bro't up.			26651.39	4630.06	1402.87	1449.75
Luke Sweetser	Sept. 6. 1824	Bond	200.	36.	12.00	12.
John D. Smith	Oct. 1. "	"	50.			12.
Moses Smith	May 24. 1821	Note & Mort.	400.	168.	24.	
Isaiah Stetson	Jan. 11. 1822	" & "	600.	204.29	36.	36.
Asa Smith	Aug. 12. 1826	" & "	400.	48.00	24.00	
Solomon Strong	May 23. 1825	Note	200.			36.
Selah Severance	Jan. 23. 1826	"	25.	1.73		
Prince Snow	July 31. 1819	"	33.	4.00		14.
Orsa Sheldon	" " "	"	25.			13.00
Thomas Snow	May 23. 1825	"	50.	6.		3.
Consider Scott	July 21. 1819	"	25.	3.		10.50
Martin Thayer	Aug. 21. 1824	Bond	200.	24.		24.
I. E. Trask	May 23. 1826	Note	500.			60.
Samuel Taylor	" " 1825	"	100.	18.	12.00	
Salem Town Jr.	Nov. 21. 1822	"	500.	60.		150.
Enoch Whiting	Aug. 13. 1824	Bond	300.			72.
David Wait Jr.	Ap. 9. 1828	Note	45.22			
Ephraim Williams	May 23. 1825	"	200.			36.
Eli Wheelock	Oct. 11. 1819	"	100.	24.		30.
Samuel Worcester	Mar. 15. 1828	Note & Mort.	1000.			
Thomas Williams	Jan. 2. 1821	Note	50.			21.
Leander Merick	Ap. 1. 1828	Note & Mort.	300.			
George Guild	" " "	" & "	200.			
Of the sum of \$32154.61, is secured by }			32154.61	5227.08	1510.87	
Mortgage of real estate. }			18725.00	Int. pd. on		
Residue are Notes & Bonds of original Donors			13429.61	notes which		
Making as above.			\$32154.61	have since		
				been taken	734.61	
				up &		
				Morts. of	2245.48	
				real estate		
Whole amt. of Int. pd. last year.						

Grantors.	Property of the Fund in Real Estate. Description of the land.	Estimated Value
Elijah Dickinson	Nine acres on which the College Buildings are erected in Amherst	1800.
Moses & J. S. Dickinson	Three and a half acres adjoining the above	450.
Elijah Boltwood	President's house lot 84½ Rods.	284.88
Dr. Rufus Cows	Land in Maine given by Dr. Cows and estimated by him at \$3000. has been exchanged for land in Pelham and is probably worth about	700.
Joel Smith	Ten acres of woodland in Amherst	150.
		<u>\$3384.88</u>

Real Estate		Estimated Value	
Grantors.	Description		
Amt. Bro't. over		3384.88	
David Mack Jr.	50 acres in W , county of Berkshire	333.	
Erastus Graves	Lot in Craftsburgh, Vermont	400.	
H. W. Taft	15 acres woodland in Sunderland	130.	
Zebina Dickinson }	Ninety-six acres of land in Amherst, farm }	1830.84	
D. Sheriff }	formerly owned by Seth Smith }		
Z. Dickinson, Sheriff	Dwelling house in Amherst formerly owned by }		
	J. E. Strong, $\frac{1}{4}$ acre land }	2150.	99.00
Elijah Nash	1 acre and 54 rods in Hadley with a small house }	200.	16.00
	and barn }		
Oliver Smith	The Merrill farm (so called) in Amherst op- }	1000.	75.00
	posite the College, 64 acres }		
John Leland	The house formerly owned by Dr. Parsons in }	2300.	
	Amherst with 11 $\frac{1}{2}$ acres of land. }		
Wm. L. Sellon	160 acres in Craftsburg, Vt.	500.	
Samuel F. Dickinson	A part of the Coleman place in Amherst for }	250.	
	his note of \$1000. }		
		12478.72	190.00
From the foregoing statement it appears that of the original Fund,			
there is at this time, vested in real estate		\$12478.72	
In Notes for money loaned secured by Mortgage of real estate		18725.00	
Notes & Bonds of the original Donors		13429.61	
		\$44633.33	
Interest collected the year ending Aug. 1. 1828 on notes and			
Mortgages.....2055.45 }		\$2245.45	
Rent Real estate	Do. 190.00 }		
The Interest and Rents of the past year have been appropriated as fol-			
lows, Viz: Financiers bill for the two last years		366.51	
Added to the Principal of Fund.....		300.	
Paid from bills of Charity Students.....		1578.97	
		2245.48	
The amount rec'd on Principal of Fund the past year is			2170.28
And appropriated as follows, Viz: loaned & secured by Mortgage		\$510.82	
Paid for 3 $\frac{1}{2}$ acres of land adjoining the college Lot		450.00	
Paid toward the purchase of the Parsons house & lot		1209.46	
		2170.28	

All which is Respectfully submitted

Lucius Boltwood, Auditor

September 20th, 1828.

COLLEGE INVESTMENTS

August 1, 1875

United States Bonds:

Registered	\$102,500	
Coupon	10,500	\$113,000

Rail Road Bonds:

Burlington & Missouri	5,000	
Burlington & Missouri in Neb.	14,000	
Burlington & Missouri Land grant	4,500	
Chicago & Iowa	5,000	
Cedar Rapids & Mo.	1,500	
Reading & Columbia	20,000	
Omaha & South Western	1,000	
Detroit Hillsdale & S. Western Scrip	120	
Dixon, Peoria & Hannibal	4,500	
Detroit & Milwaukee	4,275	
Lamoille Valley Montpelier	100,000	
Michigan Central	2,000	
Mead River & Lake Erie	4,000	
New London Northern	3,000	
Rensselaer & Saratoga	10,000	
Union Pacific Land grant	1,000	179,895

City Bonds:

Brooklyn Water Loan	10,000	
Chicago Water Loan	5,000	
Holyoke Town Bond	1,000	
Lawrence City	10,000	26,000

State Bonds:

Tennessee	2,000	
Virginia	33,000	35,000

Rail Road Stock:

Boston & Albany	7,700
Boston & Lowell	1,500
Concord	600

Investments — August 1, 1875 (continued)

Rail Road Stock (continued):

Fitchburg	\$ 2,900	
Connecticut River	7,000	
Michigan Central	1,300	
New London Northern	3,200	
Old Colony & Newport	6,100	
Vermont & Canada	12,100	
Detroit Hillsdale & S. Western	6,000	\$ 48,400

Bank Stock:

Boston Eagle Nat.	4,300	
Boston State Nat.	1,400	
Easthampton First Nat.	14,000	
Milford Nat.	1,000	
Northampton First Nat.	5,000	
Randolph Nat.	4,000	
Waltham Nat.	1,400	
Worcester Mechanics Nat.	8,000	39,100

Manufacturing Stocks:

New England Glass Co.	500	
Pepperell Manufacturing Co.	1,500	
Amoskeag Manufacturing Co.	1,000	
Bates Manufacturing Co.	1,700	
Everett Mills	3,500	
Hamilton Woolen Mills	3,000	
Lawrence Manufacturing Co.	1,000	
Washington Mills	8,000	
Cocheco Manufacturing Co.	6,500	
Lowell Manufacturing Co.	1,380	
Laconia Manufacturing Co.	1,600	
Great Falls Manufacturing Co.	3,700	
Merrimac Manufacturing Co.	3,000	36,380

Sundry Stocks:

Essex Land Co.	1,450	
United States Hotel Co.	1,200	2,650

Notes Receivable (24 items) 69,720.36

Real Estate 34,700

Grand Total \$584,845.36

Amount of Charity Fund 74,374.36

Investments — August 1, 1875 (continued)

Summary:

Real Estate, Productive (exclusive of that used for college purposes)	\$ 34,700
United States Bonds	113,000
Rail Road Bonds	179,895
City Bonds	26,000
State Bonds	35,000
Rail Road Stock	48,400
Bank Stock	39,100
Manufacturing Stock	36,380
Sundry Stocks	2,650
Notes Receivable	69,720.36
Wm. Reed's Legacy not yet avail- able \$5,000	
	<hr/>
	\$584,845.36
Amount of Charity Fund	74,374.36
(Amounts presumably represent par value)	

COLLEGE INVESTMENTS

August 1, 1896

Railroad Bonds:

Atchison, Topeka & Santa Fe, new 4s	\$11,000.00
Atchison, Topeka & Santa Fe, adj. 4s	5,500.00
Burlington & Mo. River in Nebr. 6s	16,932.00
Cedar Rapids & Mo. River 7s	1,500.00
Central Washington 6s	997.50
Chicago & Northwestern 5s	4,000.00
Chicago & Northwestern 6s	17,000.00
Chicago & Southwestern 7s	7,796.25
Chicago, Burlington & Northern 5s	1,500.00
Chicago, Burlington & Quincy 7s	21,781.25
Chicago, Burlington & Quincy 4s	25,000.00
Chicago, Burlington & Quincy conv. 5s	1,000.00
Chicago, Ft. Madison & Des Moines 5s	5,000.00
Chicago, Milwaukee & St. Paul 6s	10,000.00
Chicago, Milwaukee & St. Paul 7s	16,000.00
Cleveland, Loraine & Wheeling 5s	4,937.50
Connecticut River 4s	3,500.00
Consolidated of Vermont 5s	4,000.00
East Tenn., Va. & Ga. 5s	9,872.50
Houston & Texas Central (West. Div.) 5s	1,000.00
Montana Central 5s	9,912.50

Investments — August 1, 1896 (continued)

Railroad Bonds (continued):

Nebraska 7s	\$ 5,000.00	
Northern Pacific Divd. Script	3,060.00	
Ohio & West Virginia 7s	8,000.00	
Ohio River 5s	5,000.00	
Old Colony 6s	4,000.00	
Oregon Short Line 6s	9,410.00	
Oregon Short Line & Utah North- ern 5s	9,400.00	
Rensselaer & Saratoga 7s	10,000.00	
St. Louis Iron Mt. & Southern 5s	4,800.00	
St. Louis Kansas & S.W. 6s	7,420.00	
St. Paul & North. Pacific 6s	2,035.00	
Scioto Valley & New Eng. 4s	7,707.50	
Southern Pacific 6s	6,000.00	
Southern Railway 5s	19,725.00	
Union Pacific 5s	1,885.00	
Virginia Midland 5s	9,762.50	\$291,434.50

State Bonds:

Arizona 5s	5,125.00	
Tennessee 3s	1,500.00	
Virginia 3s	18,000.00	24,625.00

City Bonds:

Boston 4s	5,000.00	
Brookline 7s	1,500.00	
Colorado Springs 5s	5,100.00	
Grand Rapids	15,450.00	27,050.00

Water Bonds:

Amherst Water Co. 5s	1,000.00	
Brockport Water Co. 5s	4,925.00	
Clyde Water Co. 6s	4,950.00	
Janesville Water Co. 5s	995.00	
Larned Water Co. 6s	4,875.00	
Palmyra Water Co. 6s	5,000.00	
Plattsmouth Water Co. 4s	1,990.00	
Xenia Water Co. 6s	1,990.00	25,725.00

Investments — August 1, 1896 (continued)

Debenture Bonds:

Davidson Investment Co. 6s	\$15,000.00	
Equitable Securities Co. 4s	44,400.00	
Globe Investment Co. 6s	5,000.00	\$ 64,400.00

Miscellaneous Bonds:

Boston United Gas Co.	9,675.00	
Columbia River Paper Co.	15,000.00	
Columbus (Ohio) Gas Co.	4,581.25	
Consolidated Elevator Co.	19,800.00	
Kansas City Cable Co.	977.50	
N.Y. & Pa. Tel. and Tel. Co.	21,000.00	
Ogdensburg Car Trust	2,000.00	
Ogdensburg Transit Co.	4,750.00	
Omaha St. R.R. Co.	4,912.50	
Saginaw Union St. R.R. Co.	5,112.50	
Union St. R.R. (Dover, N.H.)	9,750.00	
Watervliet Turnpike & R.R. Co.	5,100.00	102,658.75

Real Estate:

Boyden House	4,500.00	
College Hall	12,000.00	
Sears Brattle St. Estate	12,000.00	
Sears Leverett & Barton Sts. Estate	5,000.00	
Sterrett House	6,450.00	
Thompson House	1,200.00	
Blake Field	850.00	42,000.00

Miscellaneous Stocks:

Erie Teleg. & Teleph. Co.	1,000.00	
Essex Land Co.	1,450.00	
First National Fire Ins. Co.	4,085.00	
Hudson River Teleph. Co.	493.50	
New Eng. Teleg. & Teleph. Co.	901.00	
Plattsmouth Water Co. 32 shs	0	
U.S. Hotel Co.	3,000.00	
Western Union Teleg. Co.	2,745.00	13,674.50

Investments — August 1, 1896 (continued)

Rail Road Stocks:

Atchison, Topeka & Santa Fe	\$ 5,000.00	
Boston & Albany	12,521.50	
Boston & Lowell	1,500.00	
Central Pacific	9,140.00	
Chicago & N.W. common	6,760.75	
Chicago, Burl. & Quincy	16,753.75	
Concord & Montreal (Concord stock)	1,200.00	
Connecticut River	7,300.00	
Detroit, Hillsdale & S.W.	3,000.00	
Fitchburg Preferred	4,800.00	
New London Northern	3,200.00	
Northern Pacific Preferred	10,011.00	
Old Colony	6,100.00	
Oregon Short Line & Utah North.	1,287.50	
Providence & Worcester	7,000.00	
St. Paul, Minneapolis & Manitoba	33,538.50	
Union Pacific	15,456.38	\$144,569.38

Bank Stocks:

Amherst First National	600.00	
Boston Atlas National	6,317.62	
Boston Columbian National	3,317.50	
Boston Eagle National	4,300.00	
Boston Massachusetts National	3,031.50	
Boston National of Republic	7,037.50	
Boston National City	5,403.12	
Boston North National	1,063.00	
Boston Shawmut National	6,162.50	
Boston State National	7,651.25	
Boston Webster National	227.00	
Chicago, First National	33,000.00	
Easthampton First National	14,000.00	
Milford National	1,000.00	
Northampton National	4,000.00	
Waltham National	1,400.00	
Worcester, Mechanics National	8,000.00	
Worcester, First National	5,950.00	112,460.99

Investments — August 1, 1896 (continued)

Manufacturing Stocks:

Amory Mfg. Co.	\$ 300.00	
Amoskeag Mfg. Co.	1,000.00	
Bates Mfg. Co.	400.00	
Cocheco Mfg. Co.	6,500.00	
Everett Mills	1,700.00	
Great Falls Mfg. Co.	3,700.00	
Hamilton Mills	3,700.00	
Laconia Mfg. Co.	1,600.00	
Lawrence Mills	1,000.00	
Lowell Mills	1,380.00	
Merrimac Mfg. Co.	3,000.00	
Pepperell Mills	1,500.00	\$ 25,780.00

Notes Receivable (38 items) 403,700.26

Savings Bank:

Amherst Savings Bank 1,782.87

Grand Total \$1,279,861.25

Summary:

Rail Road Bonds	\$291,434.50	
State Bonds	24,625.00	
City Bonds	27,050.00	
Water Bonds	25,725.00	
Debenture Bonds	64,400.00	
Miscellaneous Bonds	102,658.75	
* Real Estate	42,000.00	
Miscellaneous Stocks	13,674.50	
Rail Road Stocks	144,569.38	
Bank Stocks	112,460.99	
Manufacturing Stocks	25,780.00	
Notes Receivable	403,700.26	
Savings Bank	1,782.87	\$1,279,861.25

* Rentable Real Estate, not including the college buildings and land.

COLLEGE INVESTMENTS

June 30, 1948

(Including Folger Shakespeare Memorial Fund)

Government Bonds

Par Value				Book Value
\$ 700,000	Dominion of Canada	3	1959-62	\$ 689,750
22,000	U.S. Treasury	2½	1955-60	22,859
75,000	U.S. Treasury	2¾	1960-65	76,134
575,000	U.S. Treasury	2	1950-52	582,813
140,000	U.S. Treasury	2½	1952-54	143,500
200,000	U.S. Treasury	2	1952-54	200,000
250,000	U.S. Treasury	2¼	1952-55	251,093
500,000	U.S. Treasury	2¼	1956-59	519,765
275,000	U.S. Treasury	2¼	1959-62	275,000
700,000	U.S. Treasury	2¼	1959-62	700,000
175,000	U.S. Treasury	2½	1963-68	175,000
1,000,000	U.S. Treasury	2½	1964-69	1,030,076
319,000	U.S. Treasury	2½	1964-69	325,807
942,000	U.S. Treasury	2½	1967-72	967,879
1,100,000	U.S. Treasury Series G	2½	1953-60	1,100,000
	Total			<u>\$7,059,676</u>

Railroad Bonds

\$ 80,000	Atch. Top. & S.F. Reg.	4	1995	\$ 75,113
35,000	Atch. Top. & S.F. Cpn.	4	1995	34,068
50,000	Ches. & Ohio Gen.	4½	1992	50,208
82,000	Chi. & W. Ind. Cons.	4	1952	75,930
10,000	Hocking Valley 1st Reg.	4½	1999	9,918
150,000	Norfolk & Western	4	1996	158,334
	Total			<u>\$403,571</u>

Public Utility Bonds

\$ 33,800	Am. Tel. & Tel.	2¾	1961	\$ 34,542
8,000	Bell Tel. of Can. C	5	1960	8,626

Investments — June 30, 1948 (continued)

Par Value				Book Value
\$ 58,000	Bell Tel. of Pa. C	5	1960	\$ 61,305
75,000	Detroit Edison C	3½	1966	77,717
115,000	New England Tel. & Tel.	5	1952	115,255
50,000	Rochester C. & E. " D "	4½	1977	49,762
	Total			<u>\$347,207</u>

Railroad Preferred Stocks

Shs.		
50	Union Pacific 4%	\$ 1,750

Public Utility Preferred Stocks

Shs.		
1,000	Commonwealth & Southern 6%	\$ 98,608
100	Electric Power & Light 7%	15,325
1,000	Narragansett Electric 4½%	54,124
500	Northern States Power (Minn.) 3.60%	49,383
750	Ohio Power 4½%	81,005
3,400	Pacific Gas & Electric 6%	106,712
1,000	Pacific Tel. & Tel. 6%	138,316
1,000	Union Electric of Missouri 4½%	105,500
	Total	<u>\$648,973</u>

Industrial Preferred Stocks

Shs.		
1,000	American Smelting & Refining 7%	\$ 123,850
500	American Snuff 6%	69,069
3,000	Deere & Co. 7%	90,000
1,062	E. I. duPont de Nemours 4½%	119,256
168	Firestone Tire & Rubber 4½%	16,800
250	Fisher Bros. 5%	21,500
1,000	General Mills, Inc. 5%	119,428
700	General Motors 5%	72,750
350	W. T. Grant 3¾%	35,000
814	International Harvester 7%	113,578
108	P. Lorillard 7%	14,702
1,000	G. C. Murphy 4¾%	105,000
1,000	Safeway Stores 5%	100,966
1,500	U.S. Rubber 8%	220,600
1,843	U.S. Steel 7%	215,192
	Total	<u>\$1,437,691</u>

Investments — June 30, 1948 (continued)

Railroad Common Stocks

Shs.		Book Value
400	Atch. Top. & Santa Fe	\$ 51,375
400	Norfolk & Western	30,340
1,380	Union Pacific	79,910
100	United N.J.R.R. & Canal	22,550
	Total	<u>\$184,175</u>

Public Utility Common Stocks

Shs.		
2,009	Am. Tel. & Tel.	\$ 286,509
2,500	Boston Edison	89,063
1,200	Cleveland Elec. Illuminating	52,254
2,000	Commonwealth Edison	62,820
1,000	Cons. G.E. Lt. & Pr. of Baltimore	77,759
2,340	Cons. Natural Gas	68,326
2,700	Dayton Power & Light	96,216
500	Duke Power	35,683
4,000	Houston Lighting & Power	126,234
3,000	Idaho Power	73,875
2,000	N.E. Tel. & Tel.	227,078
1,100	Pacific Gas & Elec.	46,827
100	Pacific Tel. & Tel.	9,989
	Total	<u>\$1,252,633</u>

Bank Stocks

Shs.		
1,548	Bankers Trust	\$105,870
500	Central Hanover Bank & Trust	70,317
1,870	Chase National Bank of N.Y.	132,973
1,800	Chemical Bank & Trust	103,302
100	First National Bank of Boston	3,200
60	First National Bank of Chicago	14,000
222	Guaranty Trust	78,531
	Total	<u>\$508,193</u>

Insurance Stocks

Shs.		
666	Aetna	\$ 29,443
1,000	Continental	41,659

Investments — June 30, 1948 (continued)

Shs.		Book Value
600	Hartford Fire	\$ 40,281
1,250	Insurance Co. of No. America	87,403
	Total	<u>\$198,786</u>

Industrial Common Stocks

Shs.		
450	Aluminum Co. of America	\$ 26,719
4,524	American Chicle	165,056
1,000	American Viscose	47,242
6,000	Borden	195,286
2,000	Caterpillar Tractor	114,849
2,700	Colgate-Palmolive-Peet	134,235
2,000	Continental Can	112,671
605	duPont	69,224
8,370	Eastman Kodak	231,696
6,000	General Electric	227,702
5,000	General Mills, Inc.	138,741
8,500	General Motors	505,283
1,100	Gulf Oil	56,671
7,000	Hazel-Atlas Glass	140,700
500	Humble Oil & Refining	39,469
10,000	International Nickel of Canada	355,430
2,600	Kennecott Copper	96,489
1,000	S. S. Kresge	25,675
2,500	S. H. Kress	85,795
1,550	Liggett & Myers Tobacco	163,229
3,000	Ludlow Mfg. & Sales	123,500
275	Minnesota Valley Canning "B"	5,088
2,000	N. J. Zinc	136,606
6,000	J. C. Penney	196,395
1,000	R. J. Reynolds Tobacco B	52,802
1,714	Scovill Mfg.	72,860
6,000	Sears Roebuck	126,487
2,000	Sherwin Williams	111,498
32,600	Socony-Vacuum	542,150
20,000	Standard Oil of Calif.	680,944
18,881	Standard Oil (New Jersey)	693,550
6,240	Texas Company	326,826
7,000	Texas Gulf Sulphur	310,614

Investments — June 30, 1948 (continued)

Shs.		Book Value
9,180	Union Carbide & Carbon	\$ 242,865
14,710	United Fruit	480,777
5,150	United Shoe Machinery	371,663
3,000	Westinghouse Electric	73,441
2,000	F. W. Woolworth	106,713
	Total	<u>\$7,586,941</u>
<i>Real Estate</i>		
53	Parcels Real Estate in Amherst	\$629,909
<i>Real Estate Mortgages</i>		
8	Mortgages in Amherst	\$145,749
1	Mortgage in New York	15,000
	Total	<u>\$160,749</u>
TOTAL SECURITIES OWNED		<u><u>\$20,420,254</u></u>

SUMMARY OF SALES OF SECURITIES

FOLGER FUND

July 1, 1933-June 30, 1948

	<i>Total Book Value</i>	<i>Total Gain</i>	<i>Total Loss</i>
1933-34	\$ 1,509,954	\$ 272,597	\$ 23,401
1934-35	239,642	14,572	—
1935-36	1,522,478	337,642	81,054
1936-37	1,876,821	230,099	15,346
1937-38	593,985	12,843	3,276
1938-39	318,783	12,700	2,370
1939-40	511,685	7,511	2,805
1940-41	403,145	21,702	3,219
1941-42	759,962	8,614	5,310
1942-43	364,253	11,307	807
1943-44	178,722	1,676	32
1944-45	1,005,391	80,013	110
1945-46	839,319	153,091	1,248
1946-47	310,302	16,103	437
1947-48	516,190	9,750	109
	<u>\$10,950,632</u>	<u>\$1,190,220</u>	<u>\$139,524</u>

ALL OTHER FUNDS

July 1, 1933-June 30, 1948

	<i>Total Book Value</i>	<i>Total Gain</i>	<i>Total Loss</i>
1933-34	\$ 712,846	\$ 12,559	\$ 21,907
1934-35	774,761	48,931	49,043
1935-36	2,166,768	143,446	100,788
1936-37	3,066,074	233,258	77,029
1937-38	1,565,939	102,437	35,668
1938-39	845,776	33,152	18,779
1939-40	1,356,342	34,523	64,258
1940-41	1,136,290	72,023	80,031
1941-42	1,218,920	23,343	95,212
1942-43	618,703	20,072	119,260
1943-44	660,430	16,189	171
1944-45	1,086,291	78,601	33,935
1945-46	2,125,156	410,745	89,913
1946-47	1,572,395	254,957	1,325
1947-48	1,562,463	46,638	33,304
	<u>\$20,469,154</u>	<u>\$1,530,874</u>	<u>\$820,623</u>

ANALYSIS OF ENDOWMENT FUNDS

June 30, 1933—June 30, 1948

	6-30-33	6-30-34	6-30-35	6-30-36	6-30-37	6-30-38	6-30-39	6-30-40	6-30-41
<i>Schedule I</i>									
Book Value	\$13,251,857	\$13,439,799	\$14,620,844	\$16,333,749	\$18,106,647	\$18,097,456	\$18,412,089	\$18,736,115	\$18,606,397
<i>Schedule II</i>									
Market Value	12,517,983	13,755,466	15,073,673	17,729,779	19,408,879	17,479,921	17,697,961	16,920,597	17,232,897
<i>Schedule III</i>									
Appreciation or Depreciation	733,874	315,667	452,829	1,396,030	1,302,232	617,655	714,128	1,816,518	1,873,600
<i>Schedule IV</i>									
Additions to Endowment Funds		81,435	1,274,400	1,423,657	1,413,757	672,540	351,616	381,681	51,310
<i>Schedule V</i>									
Transfers from Endowment Funds (to Plant, Collections, etc.)		45,349	107,814	10,000	25,000	744,917	61,673	32,627	179,508
<i>Schedule VI</i>									
Balance of Profit or Loss from Disposition of Securities									
Folger Fund	89,520	209,877	224,449	481,040	695,795	705,365	715,695	720,401	738,885
Cons. Fund		<u>10,985</u>	<u>21,129</u>	<u>12,592</u>	<u>139,544</u>	<u>198,102</u>	<u>217,618</u>	<u>187,447</u>	<u>179,003</u>
	<u>59,520</u>	<u>198,892</u>	<u>203,320</u>	<u>493,632</u>	<u>835,339</u>	<u>903,467</u>	<u>933,313</u>	<u>907,848</u>	<u>917,888</u>
<i>Schedule VII</i>									
Gross Per Cent Return on Endowment Funds									
Book Value	13,251,857	13,439,799	14,620,844	16,333,749	18,106,647	18,097,456	18,402,089	18,736,115	18,606,397
(as above)	563,835	521,465	629,837	617,309	781,829	745,219	643,453	708,451	730,990
Gross Income	4.24	3.88	4.30	3.78	4.32	4.12	3.49	3.78	3.93
Per Cent Return									

	6-30-42	6-30-43	6-30-44	6-30-45	6-30-46	6-30-47	6-30-48	Fifteen-Year Total 7-1-33 to 6-30-48
<i>Schedule I</i>								
Book Value	\$18,431,691	\$18,737,474	\$18,830,783	\$19,168,414	\$19,758,186	\$20,294,795	\$20,959,999	
<i>Schedule II</i>								
Market Value	15,755,150	19,328,242	19,813,004	21,553,823	24,499,778	22,955,003	24,213,398	
<i>Schedule III</i>								
Appreciation or Depreciation	2,676,541	590,768	982,221	2,385,409	4,741,592	2,660,208	3,253,399	
<i>Schedule IV</i>								
Additions to Endowment Funds	145,074	428,251	127,842	250,569	230,524	589,753	693,410	8,115,819
<i>Schedule V</i>								
Transfers from En- dowment Funds (to Plant, Collections, etc.)	251,216	33,777	47,896	37,507	113,427	322,445	51,181	2,064,337
<i>Schedule VI</i>								
Balance of Profit or Loss from Disposition of Securities	742,189	752,688	754,332	834,236	986,079	1,001,745	1,011,386	
Folger Fund	109,502	15,211	28,555	69,839	381,090	614,104	623,909	
Cons. Fund	851,691	767,899	782,887	904,075	1,367,169	1,615,849	1,635,295	
<i>Schedule VII</i>								
Gross Per Cent Return on Endowment Funds								
Book Value	18,431,691	18,737,474	18,830,783	19,168,414	19,758,186	20,294,795	20,959,999	
(as above)								
Gross Income	783,047	731,162	761,006	796,732	808,080	912,795	983,528	
Per Cent Return	4.25	3.90	4.04	4.15	4.09	4.50	4.69	

SURPLUS OR DEFICIT RECORD

1899-1946

ADMINISTRATION OF PRESIDENT HARRIS

1899-1912

	<i>Surplus</i>	<i>Deficit</i>
1899-00		\$ 512.49
1900-01		1,075.49
1901-02		2,479.95
1902-03		8,204.32
1903-04	\$1,563.26	
1904-05	684.37	
1905-06		10,440.35
1906-07		190.69
1907-08		102.77
1908-09	5,261.75	
1909-10		947.03
1910-11		12,360.87
1911-12		18,488.40
Net Loss	<hr/>	<hr/> \$47,292.98

ADMINISTRATION OF PRESIDENT MEIKLEJOHN

1912-1923

	<i>Surplus</i>	<i>Deficit</i>
1912-13		\$35,620.12
1913-14		29,311.50
1914-15		32,910.00
1915-16		31,993.53
1916-17		29,924.41
1917-18		17,977.92
1918-19		8,992.33
1919-20		44,105.41
1920-21		81,734.27
1921-22	\$4,102.63	
1922-23	5,757.03	
Net Loss	<hr/>	<hr/> \$302,709.83

ADMINISTRATION OF PRESIDENT OLDS

	1923-1927	
	<i>Surplus</i>	<i>Deficit</i>
1923-24	\$25,212.53	
1924-25		\$ 9,508.78
1925-26		5,902.23
1926-27		13,515.88
Net Loss		<u>\$ 3,714.36</u>

ADMINISTRATION OF PRESIDENT PEASE

	1927-1932	
	<i>Surplus</i>	<i>Deficit</i>
1927-28	\$ 2,828.57	
1928-29	9,067.33	
1929-30		\$5,192.02
1930-31	43,869.27	
1931-32	11,746.30	
Net Surplus	<u>\$62,319.45</u>	

ADMINISTRATION OF PRESIDENT KING

	1932-1946	
	<i>Surplus</i>	<i>Deficit</i>
1932-33	\$ 1,101.60	
1933-34	9,511.36	
1934-35	43,919.67	
1935-36	49,262.06	
1936-37	124,649.90	
1937-38	112,244.89	
1938-39	31,035.30	
1939-40	28,375.80	
1940-41	107,421.74	
1941-42	140,352.81	
1942-43	223,777.77	
1943-44	161,686.79	
1944-45		\$89,988.74
1945-46	57,548.27	
Net Surplus	<u>\$1,000,899.22</u>	

SUMMARY OF GIFTS BY ADMINISTRATIONS

(The figures for the administrations of Presidents Moore, Humphrey, Hitchcock, Stearns, and Seelye are taken from William S. Tyler's *History of Amherst College*, 1895. The figures for the administrations of Presidents Gates, Harris, Meiklejohn, Olds, Pease, and King have been prepared by Treasurer Paul D. Weathers.)

	<i>Endowment</i>	<i>Plant</i>	<i>Current</i>	<i>Centennial</i>	<i>Total</i>
Moore					
1821-23					
(a \$30,000 fund, of which only a part was paid in)					
Humphrey					
1823-45					\$ 147,000
Hitchcock					
1845-54					133,000
Stearns					
1854-76					769,168
Seelye					
1876-90					826,000
Gates					
1890-99	\$ 371,052.19	\$ 60,077.60	\$ 21,361.20		452,490.99
Harris					
1899-1912	668,129.65	245,481.38	61,441.37		975,052.40
Meiklejohn					
1912-22	2,655,610.66	441,300.00	102,336.91	\$2,967,378.39	6,166,625.96
Olds					
1923-27	238,625.98	300,142.70	84,097.93		622,866.61
*Pease					
1927-32	1,963,940.34	490,192.46	94,843.10		2,548,975.90
*King					
1932-46	<u>4,709,603.30</u>	<u>565,764.03</u>	<u>747,030.27</u>		<u>6,022,397.60</u>
Total	\$10,606,962.12	\$2,102,958.17	\$1,111,110.78	\$2,967,378.39	\$18,663,577.46

*Excluding gifts to the Folger Fund.

ALUMNI FUND

1906-1949

Summary of Gifts by Years

<i>Year</i>	<i>Number of Contributors</i>	<i>Amount</i>
1906 } to 1920 } 1921 } to 1922 }		\$ 139,441
Centennial Gift	4,044	3,012,069
1923	1,043	14,983
1924	1,367	15,866
1925	1,586	16,940
1926	2,236	25,295
1927	2,465	32,323
1928	2,577	46,502
1929	2,758	60,548
1930	2,693	253,966
1931	2,768	36,231
1932	2,524	21,563
1933	2,440	29,368
1934	2,716	21,772
1935	2,646	23,645
1936	2,788	22,241
1937	2,972	32,475
1938	3,173	25,564
1939	3,269	24,836
1940	3,152	32,019
1941	3,324	28,927
1942	3,056	26,317
1943	2,909	32,394
1944	2,975	65,211
1945	3,400	97,289
1946	3,504	101,621
1947 } to 1948 } 1949 }		
Second Century Fund	4,741	1,018,907
	3,653	93,373
		<u>\$5,351,686</u>
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MEMBERS OF PRUDENTIAL COMMITTEE

<i>Date of Trustee Meeting</i>	<i>Appointments by Board to Prudential Committee</i>
April 1825	Humphrey Strong Smith Graves Leland
August 1825	same
August 23, 1826	Humphrey Leland Smith Strong Howe
August 20, 1827	Humphrey Leland Smith Strong Taylor
August 25, 1828	same
August 24, 1829	Humphrey Strong Smith Williams Boltwood
August 24, 1830	Humphrey Strong Smith Taylor Boltwood
August 23, 1831	same

Members of Prudential Committee (continued)

<i>Date of Trustee Meeting</i>	<i>Appointments by Board to Prudential Committee</i>
August 21, 1832	Humphrey Brown Strong Trask Boltwood
August 26, 1833	Humphrey Brown Vaill Calhoun Sweetser
August 25, 1834	Humphrey Brown Fiske Calhoun Sweetser
August 24, 1835	same
August 22, 1836	Humphrey Brown Fiske Mack Sweetser
August 22, 1837	same
August 26, 1839	Humphrey Vaill Mack Sweetser Grennell
August 25, 1840	same
July 20, 1841	same
July 26, 1842	same
August 8, 1843	same
August 6, 1844	same

Members of Prudential Committee (continued)

<i>Date of Trustee Meeting</i>	<i>Appointments by Board to Prudential Committee</i>
April 14, 1845	Hitchcock Vaill Grennell Mack Sweetser
August 11, 1846	same
August 10, 1847	Hitchcock Vaill Williston Mack Sweetser
August 8, 1848	same
August 7, 1849	Hitchcock Mack Williston Sweetser Edw. Dickinson
August 6, 1850	same
August 11, 1851	same
August 10, 1852	Hitchcock Williston Dickinson Sweetser Merriam
August 8, 1853	Hitchcock Vaill Williston Sweetser Dickinson
August 7, 1854	Acting President Williston Morris Sweetser Dickinson

Members of Prudential Committee (continued)

<i>Date of Trustee Meeting</i>	<i>Appointments by Board to Prudential Committee</i>
August 6, 1855	Stearns Williston Vaill Sweetser Dickinson
August 12, 1856	same
August 11, 1857	same
August 9, 1858	Stearns Vaill Sweetser Dickinson
August 8, 1859	Stearns Vaill Williston Dickinson Sweetser
August 6, 1860	same
July 8, 1861	same
July 7, 1862	same
July 6, 1863	same
July 11, 1864	same
July 10, 1865	President Vaill Williston Dickinson Hills
July 9, 1866	President Vaill Williston Treasurer Hills
July 8, 1867	same

Members of Prudential Committee (continued)

<i>Date of Trustee Meeting</i>	<i>Appointments by Board to Prudential Committee</i>
July 11, 1870	President Williston Dwight Treasurer Hills
July 1871	President Treasurer Williston Dwight
July 1873	President Treasurer Williston Dwight Spalding Prince

(At this 1873 meeting the President and Treasurer were voted members, *ex officiis*, and the other four were "reelected," which establishes the 1872 committee as the same as 1873)

July 1874	same
July 1875	Dwight Spalding Sawyer Prince

(also voted that three members constitute a quorum)

July 1879	Pres. and Treas., <i>ex officiis</i> Dwight Sawyer Prince Whiting
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Members of Prudential Committee (continued)

<i>Date of Trustee Meeting</i>	<i>Appointments by Board to Prudential Committee</i>
June 1882	Pres. and Treas., <i>ex officiis</i> Dwight Williston Prince
June 1883	same
July 1884	same
June 1885	Pres. and Treas., <i>ex officiis</i> Dwight Whitcomb Williston
1886	Pres. and Treas., <i>ex officiis</i> Dwight Whitcomb Strong Williston
June 1887	same
June 1888	same
1889	same
June 1890	same
June 1891	Pres. and Treas., <i>ex officiis</i> Sanford Whitcomb Williston
November 1893	President Treasurer James, D. W.

MEMBERS OF FINANCE COMMITTEE

From Autumnal Business Meeting, 1873: "Voted — That a Committee on Finance consisting of three members of this Board, with the President in addition, be appointed every year, whose duty shall be to advise and direct the Treasurer in the administration of his office; making themselves acquainted with the financial condition and interests of the Treasury so thoroughly, that the chances of loss, if not rendered impossible, shall be reduced to a minimum."

<i>Date of Trustee Meeting</i>	<i>Appointments by Board to Finance Committee</i>
December 1, 1873	Bullock Hardy Edwards
July 1875	same
July 1879	Bullock Edwards Sanford
	} reappointed
July 1885	Sanford Hyde Whitcomb
June 1888	Sanford Hyde Whitcomb Treas., <i>ex officio</i> as well as Pres.
November 1888	Hyde resigned and Strong appointed
June 1889	Sanford Strong Whitcomb Treas., <i>ex officio</i>

Members of Finance Committee (continued)

<i>Date of Trustee Meeting</i>	<i>Appointments by Board to Finance Committee</i>
June 1890	Sanford Whitcomb Peet Pres. and Treas.
June 1891	same
June 1892	same
November 1892	Peet's term as trustee expired and D. Willis James was appointed to Finance Committee
May 1900	Sanford Whitcomb James, D. W.
May 1901	same
May 1902	same
May 1903	same
May 1904	Sanford Whitcomb Pratt, C. M.
May 1905	same
May 1906	same
May 1907	same
November 1907	Whitcomb Pratt, C. M. James, A. C. Simpson
December 1908	same
November 1909	same
November 1910	same

Members of Finance Committee (continued)

<i>Date of Trustee Meeting</i>	<i>Appointments by Board to Finance Committee</i>
November 1911	same
June 1912	same
November 1913	same
November 1914	Simpson Pratt, C. M. James, A. C.
November 1915	same
November 1916	Simpson Pratt, C. M. James, A. C. Morrow Stearns, F. W.
June 1917	same
November 1918	same
November 1919	same
September 1920	Breed appointed to fill vacancy caused by Simpson's death
November 1920	Pratt, C. M. James, A. C. Morrow, chairman Stearns, F. W.
November 1921	Morrow, chairman James, A. C. Breed Pratt, G. D.
October 1922	James, A. C. Morrow, chairman Stearns, F. W. Pratt, G. D. Breed

Members of Finance Committee (continued)

<i>Date of Trustee Meeting</i>	<i>Appointments by Board to Finance Committee</i>
October 1923	same (with James chairman)
October 1924	same
October 1925	same
October 1926	same
October 1927	same
October 1928	Allen James, chairman Morrow Pratt, G. D. Stearns, F. W.
October 1929	Coolidge James, chairman Maynard Morrow Pratt, G. D.
October 1930	same
October 1931	Coolidge James, A. C. Maynard Pratt, G. D.
October 1932	Coolidge Eastman Esty James, A. C. Maynard, chairman Pratt, G. D.
October 1933	Eastman Esty James, A. C. Maynard, chairman Pierce

Members of Finance Committee (continued)

<i>Date of Trustee Meeting</i>	<i>Appointments by Board to Finance Committee</i>
October 1934	Eastman Esty James, A. C. Kingman Maynard, chairman Pierce
October 1935	Douglas Eastman James, A. C. Kingman Maynard, chairman Pierce
October 1936	same
October 1937	Douglas Eastman Kingman Maynard Pierce, chairman Pratt, H. L.
October 1938	Bale Douglas Eastman Kingman Maynard Pierce, chairman
October 1939	Bale Douglas Eastman Esty Kingman Pierce, chairman

Members of Finance Committee (continued)

<i>Date of Trustee Meeting</i>	<i>Appointments by Board to Finance Committee</i>
October 1940	Bale Douglas Eastman Esty Maynard Pierce, chairman
October 1941	Bale Douglas Eastman Esty Pierce, chairman
October 1942	Bale Douglas Eastman Pierce, chairman Thorp
October 1943	Bale Fales Kingman Pierce, chairman Thorp
October 1944	Fales Francis Kingman Pierce, chairman Thorp
October 1945	Fales Francis Kingman Pierce, chairman Thorp Weathers

Members of Finance Committee (continued)

<i>Date of Trustee Meeting</i>	<i>Appointments by Board to Finance Committee</i>
October 1946	Fales Gregory Kingman Pierce, chairman Thorp Weathers
October 1947	Fales Gregory Kingman Pierce, chairman Rugg Thorp Weathers
October 1948	Fales Gregory Kingman Pierce, chairman Rugg Weathers

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